FAYETTEVILLE OBSERVER.

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SPECIAL NOTICE.

From and after this date, no name of a new subscriber will be entered without payment in advance, nor will the paper be sent to such subscribers for a longer time than is paid for.

Such of our old subscribers as desire to take the paper on this system will please notify us when making remittances.

Jan'y 1, 1858.

ANTIOCH ACADEMY,

ROBESON COUNTY, N. C.

I WILL open a School in the above Academy on Monday Feb'y 16th. The situation is healthy and in a pleasant neighborhood. Board can be had in the neighborhood on reasonable terms.

Tuition per session of five months $8, $12 and $15.

For further particulars address Principal at Randalsville, N C. WM J. STUART, Principal.

Feb'y 11, 1863 4*4wpd

BY THE GOVERNOR OF NORTH CAROLINA.

A PROCLAMATION.

WHEREAS, it has been made to appear to me that the terms of the Proclamation issued by me on the 26th ultimo, for the benefit of those members of our army who are absent from their colors without proper leave, may not have been known to all who might have desired to avail themselves of its merciful provisions in time for them to do so

Now therefore I, ZEBULON B. VANCE, Governor of the State of North Carolina, do issue this second Proclamation, extending the time limited in the former to the 5th day of March next. All such persons as above referred to, who shall have reported to their several camps by that day, will suffer no punishment for their past delinquencies. To those who shall not have so reported, nothing can be promised except the severest penalties of the military law.

In witness whereof, I, ZEBULON B. VANCE, L. S. Governor, Captain General and Commander-in-Chief, have signed these presents and caused the great Seal of the State to be affixed.

Done at our City of Raleigh, this 12th day of Feb'y A. D., 1863, and in the 87th year of our Independence.

By order of the Governor, Z. B. VANCE.

R. H. BATTLE, Jr., Private Secretary.

Feb'y 13. 3*3t

Valuable Land for Sale.

ONE Tract on Little River in Randolph county, containing 525 acres, on which is a first rate Dwelling and Kitchen, nearly new, with other out-houses; and also a valuable orchard. This tract contains about 50 acres of bottom land on said River.

One other Tract containing 300 acres, with Dwelling and other out-houses, about 60 acres under cultivation. This tract has valuable Timber, and is mostly level land.

The above tracts of land are valuable wheat, corn, oats and tobacco lands.

One other tract containing 800 acres. This tract abounds with valuable timber, and is very valuable grain land.

The above Lands are South of Asheboro' about 15 miles, and North of Troy, in Montgomery county, about 12 miles. The locality is in as healthy a portion of the State as any in North Carolina.

Refugees desiring to purchase lands will find the above to be very desirable property. Terms easy. My address is Caraway, Randolph county, N. C.

NATHAN SPENCER.

Jan'y 3, 1863. 91*8tpd

STRAYED,

FROM the subscriber in November last, seven head of SHEEP, all black and all ewes, bearing the mark of swallow fork in the right ear and a crop off and half moon in the left. I bought the Sheep from Launcelot Jones, in Sampson county, and I think they are trying to get back. Four of them, when heard from last, were in Johnston county, near John Harper's, on the Fayetteville road; the other three were in the edge of Sampson county, near Theop's Sutton's, on the Clinton road. Any information respecting them will be thankfully received, and the person stopping them will be paid for trouble.

W. C. GODWIN.

Newton Grove, N. C., Feb. 12, 1863. 3*4tpd

$50 REWARD.

RANAWAY from the subscriber, on last Saturday night, my negro Man, ARNOLD, aged 20 or 25 years, dark copper color, common size, about 5 feet 7 or 10 inches high, formerly the property of D. L. Perkins, of Black Mingo, S. C., bought by me at Salisbury, N. C., on 1st January last. I am inclined to think said boy will endeavor to get to the Yankees, having been raised, I think, somewhere in Eastern North Carolina, perhaps Washington, or the said Perkins, I think, was formerly from Eastern North Carolina. Said boy worked, or was hired a part of last year, to Arnold & Cooley, Wadesboro', N C. I will give the above reward for his confinement so that I get him again.

Ranaway, also with said boy, a negro Man, ELLICK, 25 or 30, black and stout built, 180 or 190 pounds weight, the property of John Spencer, or the widow Spencer, of Anson county, N. C. Said negroes may be in company.

Address, Norwood's, Stanly Co N. C. Spencer's address, Lilesville, Anson, North Carolina

ROWLAND HARRIS.

Feb'y 5. 3*tf

State of North Carolina,

MONTGOMERY COUNTY.

Court of Pleas and Quarter Sessions, Jan'y Term, 1863.

A. H. Sanders, Adm'r, *vs.* Thomas J. Parnell, Amos Parnell and others.

Petition to make Real Estate Assets.

IT appearing to the satisfaction of the Court that Henry T. Parnell, one of the Defendants in this cause, resides beyond the limits of this State: It is therefore on motion ordered by the Court, that publication be made in the Fayetteville Observer, notifying the said Defendant of the filing of this petition, and that unless he appears at the next term of this Court and answers the petition, the same will be taken pro confesso and heard ex parte as to him.

Witness, J. S. Spencer, Clerk of said Court, at office in Troy, the 1st Monday in January 1863.

1*6tpd] J. S. SPENCER, C. C. C.

State of North Carolina,

RICHMOND COUNTY.

Court of Pleas and Quarter Sessions, Jan'y Term, 1863.

Jas. A. Covington, Adm'r of Jno. P. Covington, dec'd, *vs.* Eliza J. Covington, et al.

Petition for Settlement.

IT appearing to the satisfaction of the Court, that the Defendant, Eliza J. Covington, is a non-resident of this State: It is ordered by the Court that publication be made in the Fayetteville Observer for six weeks successively, notifying the said Defendant of the filing of this petition, and that unless she appear at the next Term of this Court and answer the petition, the same will be taken pro confesso and heard ex parte as to her.

Witness, Louis H. Webb, Clerk of our said Court, at Office in Rockingham, the 3d Monday in Jan'y 1863.

1*6tpd] L. H. WEBB, C. C. C.

W. H. ALLEN,

Commission Merchant.

WILMINGTON, N. C.

PROMPT personal attention given to consignments of NAVAL STORES, COTTON, or other Country Produce for sale or shipment.

April 22 11-1m*tf

Blank Warrants for sale at this Office.

OBSERVER.

FAYETTEVILLE.

THURSDAY EVENING, FEBRUARY 19, 1863.

CHARLESTON.—We had a report yesterday that the fight had commenced at Charleston; but the news this morning shows that it was only a report, though the battle is near at hand.

COUNTY MATTERS.—A special County Court was held at the Court House in this town on the 18th inst., a majority of Magistrates being present. We learn that an appropriation of $10,000 was made to purchase and disburse corn to the families of soldiers and others at cost, &c. And the following order was passed to prevent the spreading of the small pox. We call the attention of the school committees to the subject:—

"It is ordered by the Court, that a committee of three Justices of the Peace, to-wit: John H Cook, William Bow and Duncan J. McAlister, be appointed to select a general small pox hospital for the use of the County, to which place all small pox patients be conveyed; and said committee have power to make provision for white and black patients, and to provide quarters for all persons suspected of having the small pox, prior to being taken to the general Hospital.

"Ordered that the several School committees be directed to have all persons in their respective Districts vaccinated as soon as practicable, in order to prevent the spread of this disease."

PARTY ORGANIZATION.—We have enjoyed a quiet smile over the proceedings of "a portion of the Representatives of the people of North Carolina, in the General Assembly, together with other citizens of the State," who met in Raleigh on the 5th inst. to organize for the next Congressional election. The resolutions, which are published in full in the State Journal, are "lengthy," if not "strengthy." Like the ostrich, which hides its head and fancies that its whole body is thereby hidden, there is a prodigious abjuring of *party*, at the same time that party sticks out visibly in every feather of the bird—(the only ostriches, by the way, that we have ever seen alive wore very dirty looking and bedraggled feathers, so unlike those worn by the ladies that we could hardly suppose that they ever belonged to the same bird; whereas these resolutions are so like party resolutions that there is no mistaking the identity.)

We were particularly amused with that count of the bill of indictment against those who, they say, have "assumed to themselves the *party* name of the *Conservative 'party',*" in which the aforesaid "portion of the Representatives," &c. &c. "protest against the bitter, proscriptive, partizan intolerance and tyranny which have marked the course of the present dominant faction in this State, since they obtained power." Why these are the very things of which the party to which this "portion of the Representatives" &c. belonged until it was extinguished in August last, was itself guilty, and for which very things—(with others "too tedious to enumerate")—the said "portion of the Representatives" &c. were left in the leanest and cheapest minority ever heard of in North Carolina. We think this "portion of the Representatives" &c. must themselves have enjoyed the fun of the thing—this protesting against the very thing they had done themselves! But even this is not so rich—indeed it is poverty itself—compared with their effort to save Gov. Vance from his friends. Listen to the innocents:

"We indignantly protest against the machinations of those who are endeavoring to cajole him into being a *party* Governor, and who would thus sacrifice him and his reputation, together with the best interests of the country, merely to promote their own selfish and partizan ends."!!

Capital! capital! Every one of this "portion of the Representatives" &c. doubtless did his best before the 7th of August last to blacken the "reputation" of Gov. Vance, and to persuade the people that he was neither a hero nor a statesman, but a mere retailer of jokes. Every one of them, we doubt not, swore terribly that if Vance was elected he *would be* a party Governor. Yet now they assume to take charge of "him and his reputation"—to hang on to the coat-tail of his stupendous and increasing popularity, "merely to promote their own selfish and partizan ends"!!

We have heard the remark attributed to Gov. Morehead, that he thought himself a good judge of men—[and he had reason so to think]—but that in that faculty he was a boy compared with Gov. Vance. If Gov. Vance really has that trait in such perfection, what a contemptible figure must this "portion of the Representatives" &c. cut in his mind's eye! It would be a hard thing to apply to them the Scotch poet's prayer—

"Oh wad some power the giftie gie us,
To see oursels as ithers see us."

There is much in these resolutions that we might comment on; much that we might condemn, and something that we might praise, if we were disposed to be party men. But as we have not been, and do not intend to be, party men during this war, we will close our notice of the resolutions with an extract which altogether meets our favor, as follows:

"That mere political parties, based on a mere struggle for place and power, are improper and unpatriotic, especially during such a war as we are now engaged in, which involves the very existence of our country."

Let us advise this "portion of the Representatives" &c. to strike out all the rest of their windy and wordy resolutions and make this one their platform. It is worth all the rest, and would obviate the necessity for their "Central Committee" and "Committee of Consultation and Correspondence," their proposed "committees of vigilance" and "public meetings." The idea of a political county meeting at such a time as this would stink in the nostrils of the people.

SHAMEFUL.—The feelings and rights of many of our gallant soldiers and their families have been outraged by their publication as deserters, when they were not so: but we have seen no case quite equal in enormity to one exposed in the last Standard. A young gentleman left the University where he was a student, made no effort to get a commission, to which his education, character, &c. might have entitled him, but volunteered as a private. He was killed in the battle of Sharpsburg, and *afterwards advertised as a deserter!*

FORSYTH COUNTY.—Very hard things have been published in and out of the State in regard to the loyalty of people in Forsyth county. We never believed these stories, but always regarded them as originating in disappointed political feeling. Our opinions are confirmed by the last Winston Sentinel, (which paper is responsible for a toleration of some of the aspersions alluded to,) where we find a long article in which it "protests" against calling into the field any more conscripts from that county, on the following grounds:

"In the first place they volunteered more freely, than the people in many other sections. Secondly, their soil and climate is far less productive. Thirdly, they are without anything like a negro population. Fourthly, they have no means of transportation from abroad."

Again, says the Sentinel:—

"They have nobly responded to every call. Few deserters are found here, and none in rebellion to the laws, but the people cannot perish."

It gives us pleasure to see justice done, though tardily, to any portion of our State.

THE LATE TREASURER COURTS.—We have received a copy of the majority and Minority Reports of the Committee appointed by the Legislature to inquire why the soldiers were not paid in Treasury Notes, as directed by the Convention, but were paid in Confederate Notes. It forms a pamphlet of 31 pages. We publish these Reports in full on the preceding page. Accompanying them, are legal opinions of B. F. Moore and Thos. Bragg, in defence of the Treasurer and addressed to him; and the testimony of Mr Courts himself and of several brokers and others who bought and sold bonds issued by him, and of Maj. A. M. Lewis, Paymaster.

The evidence appears to us to sustain all the positions of the Majority Report. Mr. Courts admits that he received, ordinary currency, (that is, Confederate Notes,) "for which he gave eight per cent. bonds at par;" that he borrowed ordinary currency from banks, &c., for eight per cent. bonds at par; that he could have gotten a premium for the bonds if he had thought he had authority to sell—(in his annual Report he admitted that he did sell $1,400,000, and realized a premium on them of near $40,000.) One of his attorneys argues in substance that he had a right to sell the amount but no right to sell the remainder. It then follows, as to do so, and as to it we are not sufficiently informed to express an opinion, it is certain that Mr. Courts had only to inform the Convention that the State was losing, and the brokers were making, hundreds of thousands of dollars for want of that power, and it would have been granted to him instanter. Without imputing to Mr Courts the slightest want of personal integrity, or the slightest participation in these enormous gains of the brokers—for we have no idea of any such criminality—we must say that in our opinion there was a wonderful dereliction of duty in not applying for authority to realize for the State this large amount of $822,207, which went into the pockets of the brokers.

The testimony of Maj. Lewis, the Paymaster, shows that he was in the habit, "with the knowledge and by the express request of" Mr. Courts, of receiving Confederate notes and giving orders therefor for 8 per cent. bonds at par. One broker in Raleigh testifies that he got three quarters of a million of bonds at par by such exchange, and Mr. Lewis himself names seven other persons or banks with whom he made similar exchanges. It is not pretended that either Mr. Courts or Mr. Lewis made any money by their operations, but it is apparent that Maj. Lewis received from these brokers funds that were worth less than the State securities he exchanged for them, and that thereby the State was a great loser, and the creditors of the State, including the soldiers, were paid in funds less valuable than the Convention intended, and less valuable than the brokers received.

Just here it is proper to remark, that Mr. Courts alleges that he had no authority, under the ordinance of the Convention, to sell the bonds. To which the committee make the conclusive reply, that he had no authority to issue 8 per cent. bonds for any purpose except in redemption of Treasury notes. It cannot be pretended that many of these transactions of Maj. Lewis had any connection with the redemption of Treasury notes. Treasury notes were not used or heard of in many cases, but the bonds were issued in exchange for Confederate notes. If the ordinance could thus be disregarded to the disadvantage of the soldiers and other State creditors, and to the advantage of brokers, why not also to the profit of the State?

The legal opinion of Mr. Moore may possibly be applicable to the case, but we confess that we are not Lawyers enough to see it, and that the only conclusion we can arrive at from a careful reading of it, is, that it is only meant to "muddy the waters," to draw off attention from the real points. He says one thing however that nobody will gainsay, viz: that "it was right to receive the premium" of $40,000 on the $1,400,000 of bonds sold in Richmond; but he fails to say whether it would have been right or wrong to receive the $822,207 of premium which might have been realized by the sale of the remainder of the bonds.

Mr. Bragg also devotes a large portion of his opinion to the defence of the transaction which resulted in securing the $40,000 of premium—wisely concluding that he could not be wrong in defending that which no one called in question. But he goes further than his associate and far more able Counsel, and contends that the Convention gave Mr. Courts no power to sell the bonds. That point, we think, has been sufficiently met.

As to the Minority Report of Mr. Foy, we think that decidedly more plausible than the opinion of either of his counsel; yet it fails to remove the impressions produced by the testimony.

Mr. Foy makes one very remarkable mistake. The Majority Report enumerates 8 per cent bonds to the amount of $4,129,500, issued and disposed of at par by Mr. Courts between March 1862 and Dec. 1862. Of this Mr. Foy says,—

"This statement the undersigned believes is intended to include, and does include, the whole amount of 8 per cent bonds issued during that time by Mr. Courts."

Now Mr. Foy had only to turn to the Documents printed with the Governor's Annual Message, (Exhibit A,) to see that Mr. Courts himself showed directly the reverse of this to be the fact. Mr. Courts there shows that between March and September he issued $3,096,500 eight per cent bonds (besides those which he sold for $40,000 premium;) and if is not denied that between September and December he issued further bonds to the amount of $1,033,052. These sums make up $4,129,552 disposed of at par, *exclusive* of those sold at a premium. It is really surprising that Mr. Courts and his Attorneys should have allowed Mr. Foy to print such a glaring error as this.

The conclusion to which dispassionate men will probably come from reading this Report, is, not that Mr. Courts has been guilty of anything approaching corruption—no such suspicion attaches to him—but that if he had possessed the half of that financial skill and ability which have been claimed for him, he would have taken care that the State should realize the $322,207 of premium on the bonds, all of which went instead into the pockets of the brokers.

A QUESTION OF VERACITY.—The French Minister at Washington wrote officially to his government that his visit to Richmond in April last was made at the instance of Mr. Seward. When this became known, the Lincoln Congress passed a resolution of inquiry about it, to which Seward replies giving the most emphatic contradiction to the Frenchman's statement, and declaring that "since the 4th of March 1861, no communication, direct or indirect, formal or informal, has been held by the Government or the Secretary of State with the insurgents, their aiders or abettors." The N. York Herald thinks that the incident will render the intercourse between Seward and Mercier so unpleasant that the latter will demand his passports and go home, and that that and other recent events will cause ill feeling between the United States and France. The Herald quotes from a writer in "A French periodical who says that it was owing to M. Mercier's persuasions (on behalf of his government) during his Richmond visit, that the Confederates were induced to defend Richmond, which they had previously resolved to abandon.

THE FRENCH MEDIATION.—The Richmond Examiner publishes the letter of the French Minister proposing a conference between the North and the South, and Seward's reply distinctly rejecting the proposition. These letters are dated Jan'y 9th and Feb'y 6th. The Examiner comments on them as follows:—

"The French Government proposed a conference between the belligerents, in which foreign powers should be heard as mutual friends and mediators. This conference might take place either with or without an armistice. The French Government urged it with both earnestness and tact, but the Government at Washington refused to enter into any diplomatic relations "with the insurgents," and gives an exposition of its reasons for doing so, with a statement of its future intentions, which will satisfy every Intelligent reader that the mind of the Lincoln Administration is irrevocably settled on a prosecution of the war. We commend these papers to all those persons who still talk of peace in May, or peace in June. Few will rise from their perusal without the conviction that there will be no peace, or cessation of warfare, between the Southern Confederacy and the United States, during Abraham Lincoln's term of office; which will yet endure two full years."

The Examiner, however, goes on to admit that this view may be changed by a revolution at the North, or mutiny of its people or army, or by the success of offensive operations by the South, such as driving Lincoln from Washington, overrunning Maryland, &c.

There are certainly many signs of the revolution and mutiny. If we continue to whip the yankee armies it will not need the capture of Washington to end the war.

THE FLORIDA.—A letter from Nassau, received in this town, mentions the arrival there of the C. S. Steamer Florida, Capt. Maffitt, on the 27th, and her departure on the 28th. In two days she destroyed $300,000 worth of yankee property.

RUNNING THE BLOCKADE.—The splendid steamer Giraffe entered the port of Wilmington a day or two ago, of course with a valuable cargo from Nassau. The str. Cornubia left the same port a few nights ago.

Three steamers arrived at Charleston from Nassau on Sunday last, and one sailed from Charleston.

We regret that our Legislature did not pass the bill to punish those who harbor deserters and aid and abet desertion. It passed the House, but when it was taken up in the Senate, Mr. Graham said he was opposed to it, and of course it was killed—ayes 12, noes 16.

Charlotte Democrat.

The Democrat is unjust to Gov. Graham, in not giving his reason for opposing the bill, which was, in brief, that the subject was one legitimately belonging to the Confederate Government and Courts, and not to those of the States. If both governments pass laws on the subject, there would be that "conflict with the Confederate government" which the Democrat deprecates. It would not do to try a man twice for the same offence; yet he would be liable under Confederate laws and under State laws. And suppose a State (we don't suppose such a thing of North Carolina)—but suppose some State were to pass a law imposing a fine of six-pence for such an offence, is it not manifest that by trying an offender under that law he might be virtually screened from punishment? Better let the Confederate Government manage its own affairs. We see that Mr. Dortch has made a motion "to inquire into the expediency of amending and making more stringent the laws in regard to persons guilty of aiding and abetting or harboring deserters from the army."

We really think that while the Democrat quoted the argument of one Senator which was obnoxious to its criticism, it might also have given that of Gov. Graham which is sound and unobjectionable.

CONGRESS.—In the Senate on Monday, a bill was introduced making Columbia a port of entry. The Exemption question was discussed. The question to lay the Senate bill on the table and take up the House bill which simply repeals the clauses of the act of last session relative to police on plantations, was decided in the negative. The Senate bill was then considered by clauses until adjournment. The House passed a bill to refund Alabama the amount overpaid on account of war tax for 1862; also, a bill to allow minors to hold commissions in the army. Went into secret session on Currency bill.

On Tuesday, the Senate was occupied in the further consideration of the exemption bill. The House was in secret session on the currency question.

DEATHS OF SOLDIERS.—In the Hospital at Goldsboro', on the 25th Dec. last, Elias Fields, aged 24, a member of Co. D, Capt. Ramsay, 63d Reg't, of Chatham county.

In the Hospital at Petersburg, 17th Jan'y, Serg't S. A. Heath, of Co. K, 27th Reg't, of Wayne county, aged 22 years.

14th Dec'r of a wound received at the battle of Fredericksburg, Mr. Munroe Gray, of the 33d regiment, aged 30 years.

In Moore's Hospital, Richmond, J. W. Yates, in the 24th year of his age, a member of Capt. C. C. Cole's Co 22d Reg't.

At Camp Holmes, near Raleigh, A. F. Watson.

At Camp Carter, E. Tenn., W. L. Kitchens, Co. E, 62d Reg., in 19th year of his age.

At Morristown, Tenn., Dec. 23d, George C. Cassada, aged 19, of the 29th Reg't, from Buncombe county.

Of measles, at Strawberry Plains, Tenn., 25th Dec., Green C. Hall, aged 26, a private in Co. C, Thomas' Legion.

At Guines Station, Va., 10th Jan'y, of small pox, Corp'l John S. Black, Co. K, 30th Reg't, of Mecklenburg county.

At Guines Station, Va., 27th ult., Owen Lee, of 34th Reg't, from Cleveland county.

At Camp Lamb, Lt. J. C. Higgins, and his brother H. C. Higgins, of Co. I, 61st Reg't.

In General Hospital, Richmond, 18th Jan., of wounds received at the battle of Fredericksburg, Edwin F. Lasley, aged 21.

The Cape Fear Light Artillery publish resolutions of respect for the memory of A. B. Broughton, John Nichols, R. J. Price and Dixon Burton, who have died, when or where, not stated.

In Camp near Magnolia, 7th inst., David Norwood, of Wake county.

At Petersburg, 7th Jan'y, Dr. C. F. Robinson, Assistant Surgeon of 2d N. C. Battalion.

At Goldsboro', 13th inst., of pneumonia, William H. Williams, of Wilmington, aged 19, of Capt. Bunting's Artillery.

At Smithville, N. C., Feb. 6th, of small pox, private P. C. Milliken, of Co. K, 36th Reg't.

At Camp Whiting, near Wilmington, of bronchitis, Serg't William A. Brown, 8th Reg't, aged 26.

In Hospital, Front Royal, Va., 20th Nov., Phillip S. Becker, Co C, 49th Reg.

In Hospital, White Sulphur Springs, Va., 5th Dec., of typhoid pneumonia, John N. Gillean, Co. C, 49th Reg.

In Chimborazo Hospital, Richmond, in December, James F. Menis, Co. C, 49th Reg.

Marshall L White, Co F, (Capt Barringer,) 1st N C Cavalry, fell in the desperate charge at Willis's Church, below Richmond, 29th June 1862, aged 21 years. And John M Pharr, of same Co and Reg't, died Sept'r 3d, of a wound received near Fairfax Court House, aged 33.

In Cumberland county, 10th inst., Capt Archibald M Smith, of Co K, (Carolina Boys,) 38th Reg't.

In Gordonsville, Va., Sept 25th, of chronic diarrhœa, Lieut W H Wallace, Co A, 20th Reg't, aged 24.

In camp near Fredericksburg, of typhoid pneumonia, 15th Jan'y, Capt R L Watt, 13th Reg't, in his 20th year.

In Petersburg, Feb'y 1, of pneumonia, Capt William Chenault.

Killed in the battle of Fredericksburg, Wm R McKay, of Co D, 61st Georgia Volunteers, a native of Richmond county, N C.

THE YANKEES DERNIER RESORT.—The act of the Lincoln Congress to raise an army of negroes is a full confession of the inability of the white yankees to conquer the South. And we think it has another meaning. Several of the yankee States have passed laws to prevent negroes from coming within their borders, and all of them feel and do not hesitate to say that they are nuisances—lazy, thriftless, beggarly, thievish nuisances—as a class, we mean, for of course there are exceptions. Now if the yankees can only induce them to enter the army—tempted by the fine clothes in which they will be decked out—they hope to get rid of this beggarly class, for what the Confederates don't kill they will capture and put to work on their plantations. We mean of course such of them as don't runaway without waiting to be killed or captured.

In relation to this new yankee army the Richmond Whig says,—

"Bennett of the Herald is apprehensive, that the high price of negroes in the South will operate as a powerful stimulant, and incite the Rebel Guerillas to unwonted exertions to capture the whole army. He gravely admonishes Lincoln of this danger, and exhorts him to adopt extraordinary precautions to guard against it. It is understood, that the whole African army is to be under the immediate command of Horace Greeley, who was christened by his biographer, Parton, was black at his birth, and continued so for several hours afterwards. He, therefore, has a hereditary right to the position, which he has not forfeited in becoming an *albino*. In case of the apprehended disaster of a capture, it is Bennett's consolation, that the Commander will be taken along with his army, and be restored on some auction block, to the rights of colour to which he was entitled by birth."

The Richmond Examiner quotes from a History of the campaign against New Orleans in 1814-15, written by a British officer, an amusing account of the conduct of some black troops that the English had stolen and drilled with great care at Jamaica. As they approached the coast and the chances of a fight, they became deeply dejected, so much so that the British commander sent most of them back. When the battle came on, says the historian, "a droll occurrence took place, a company of blacks emerged out of the mist carrying ladders, which were intended for the three light companies of the left attack; but these Ethiopeans were so confounded at the multiplicity of noises, that without further ado, they dropped the ladders and fell flat on their faces, and without doubt had their claws been of sufficient length, they would have scratched holes and buried themselves from such an unpleasant mixture of sounds and concatenation of, iron projectiles. The black troops behaved in the most shameful manner, to a man, and, although hardly exposed to fire, were in utter and abominable consternation, lying down in all directions.

The Yankee Troops at the Blackwater Fight.—It is stated that the Yankee troops before the fight at Blackwater were so much demoralized that when the fight commenced the field officers of one regiment refused to lead it in at all. Had the Confederates pursued, instead of falling back, the yankee writers think a rout would have resulted. The following is an extract from the order of Gen. Peck, complimenting Corcoran and his troops after the fight:

The misconduct of some of the troops has been brought to his notice, but he forbears to specify them, in the belief that those conscious of deserving censure will avail themselves of the first opportunity to retrieve the past.

FOR THE OBSERVER.

CAMP NEAR DREWRY'S BLUFF, VA.
Feb. 2d, 1863.

Messrs. Editors: I wish to express, through you, to the good people of Cumberland, Harnett, Johnston and Chatham my sincere thanks for the uniform kindness and commendable liberality they have manifested towards the members of my Company, by furnishing them with every necessary article of clothing and many valuable boxes of provisions.

By giving publication to the above, you will much oblige,

Yours, &c.,

ALEX. MURCHISON, Capt. Highland Rangers.

FOR THE OBSERVER.

TRIBUTE OF RESPECT.

Among the many gallant dead who fell amid the terrible carnage at Fredericksburg, Va., in the battle of Dec'r 13th, 1862, was Corp'l James D McAlister, Co G, (Highland Boys) 24th Reg't N C T, in the 21st year of his age, and son of Mr and Mrs James D and Mary McAlister, of Robeson county, N C.

Early in the commencement of the war this manly youth could be found in the ranks of our army. From the balmy atmosphere of Carolina his Reg't was transferred to the command of Gen'l Floyd in Western Virginia. It is needless to recount the many trials and hardships to which our brave troops were subjected in that bleak country. The dreadful hand of disease soon laid hold upon many of them, among whom was this noble boy. For weeks he lay upon a bed of straw with naught but the rough hands of his comrades to soothe his heated brow, or to

"smooth down his lonely pillow."

At one time, the hopes of the most sanguine had fled; tears were seen to trickle the sun-browned and manly cheeks of his companions who stood around; all had given him up as lost, yet God in his wisdom willed that he should recover, and restored him once more to health and vigor yet to do good service for his country. In the battles before Richmond, at Malvern Hill, at Sharpsburg and at Fredericksburg, he mingled freely, and was conspicuous for his gallant bearing. At the latter battle, when his musket had become hot from its deadly fire, when the first shouts of victory ran along line, his brain was pierced by a rifle ball, and thus he fell and died with the flag he had loved so ardently floating triumphantly beside him. Never was my mind so thoroughly impressed with the truth of the remark, that "death loves a shining mark," than when I witnessed the inanimate form of the gallant young patriot to whom this is dedicated. The career of no man or officer of the regiment, as bright as is its record, has been more signally marked by soldierly bearing, zeal in the discharge of duty or heroism in the midst of danger. His bosom not only glowed with the purest emotions of patriotism, "but his heart abounded in that soil" in which only the noblest and most magnanimous sentiments take root and flourish with unwonted beauty and fragrance.

It must be some alleviation of the pang that has smitten his estimable parents with such overwhelming grief, that his lovely traits of character rendered him the affection and admiration of his companions in arms. This reflection must indeed be to them as a "sweet smelling saver" that is as it were a silver lining to the clouds of sorrow which must needs darken their thoughts as they contemplate the premature death of their dearly beloved boy. His alacrity in the performance of his duties to his companions in arms, was not the less conspicuous than that manifested by him in the performance of his arduous duties as a soldier. Not a murmur of discontent was ever known to escape his lips. His cheerfulness in performing the most disagreeable service was only surpassed by the fidelity characterizing the manner in which he executed it. And now that he is gone, *forever gone*, and though no costly slab marks the hallowed spot where he sweetly reposes, let his associates strive to emulate his praiseworthy example, and in memory cherish his honored name for his many virtues and the devotion he has sealed to his country.

A COMRADE.

MARRIED,

In Rockfish District, on the 17th inst., by Wm. R. Love, Esq., Mr. WARREN CARVER to Mrs. MARY E. JESSUP, all of this county.

On the 15th inst., by S. McMasters, Esq., JOHN DUNNING of the 52d Reg't of N. C. T., to Miss RACHAEL TROGDEN, all of Randolph county.

DIED,

At Elmdale, his father's plantation, in Marlboro' Dist., S. C., on the evening of the 15th of January, little BERTIE, aged 1 year and 6 days; and at their residence in the vicinity of Rockingham, N C., on the morning of the 22d of January, little LILLIE, aged 2 years and 6 months; son and daughter of Benj. H. and Mary A Covington.—Com.

On the morning of the 14th inst., after a brief illness, in Richmond Co. N. C., Miss ELIZA CATHARINE, daughter of James Patterson, Sr., aged 28 years and 3 months. She was an humble, meek, quiet, and consistent follower of Christ and died in peace.—Com.

LATEST WAR NEWS.

Important from Charleston—Official Proclamation from Gen. Beauregard, requesting Non-combatants to leave Charleston and Savannah.

CHARLESTON, Feb'y 17.—The following Proclamation from Gen. Beauregard, will appear in the City papers to-morrow:

HEADQUARTERS DEPT. S. C., GA. AND FLA.
CHARLESTON, Feb'y 18, 1863.

It has become my solemn duty to inform the authorities and citizens of Charleston and Savannah that movements of the enemy's fleet indicate an early land and naval attack on one or both cities and to urge that persons unable to take an active part in the struggle shall retire. It is hoped however, that this temporary separation of some of you from your homes will be made without alarm or undue haste, thus showing that the only feeling which animates you in this hour of supreme trial is the regret of being unable to participate in the defence of your homes, your altars and the defence of your kindred. Carolinians and Georgians, the hour is at hand to prove your country's cause. Let all able bodied men from the seaboard to the mountains rush to arms. Be not too exacting in the choice of weapons—pikes and scythes will do for exterminating your enemies and spades and shovels for protecting your friends. To arms, fellow citizens, and come to share with us our danger—our brilliant success or our glorious death.

G. T. BEAUREGARD, Gen'l Com'g.

Official: J. M Otey, A. A. Gen'l.

The final preparations for the expected attack are being rapidly perfected and troops and people are calm and confident.

Important from Savannah.—SAVANNAH, Feb. 16.—A flag of truce boat to-day, from the enemy, brought up Mrs. James Sanchez and her three children, from Hilton Head.

The Federal officers were overhead, in conversing with each other, to say that Sunday next, being the anniversary of the inauguration of President Davis, was the day fixed upon for an attack on Charleston. Upwards of 50,000 troops were at Hilton Head and the neighboring Islands. The fleet fills up the river from Hilton Head to Beaufort. Another fleet of forty vessels was expected at Hilton Head.

Gens. Foster and Hunter had an altercation respecting precedence in rank. Gen. Foster refused to land his troops from the transports, and has gone to Washington.

Another Change of Base.—RICHMOND, Feb'y 17.—Through a gentleman just from Baltimore, whose statements are entitled to credit, we have received some interesting information of the movements of the "army of the Potomac." Our informant learned in Baltimore, from what he considered a trustworthy source, that the Yankee army was to be withdrawn from the banks of the Rappahannock, a part to be sent to Fortress Monroe and the balance to go into winter quarters at Washington City. He left Baltimore on Thursday last, and reached Prince George, Va., on Saturday. Whilst at the latter place, and near the banks of the Potomac, he saw three return laden with troops, which must have been shipped at Aquia Creek, and were no doubt en route for Fortress Monroe.

These troops will probably next be heard from in the flotilla of transports go up the river empty and vicinity of Suffolk.—*Enquirer.*

Rumored Landing of Yankees at Newport News.—RICHMOND, Feb. 17.—Information reached some of our advanced forces stationed on the Williamsburg road, on Sunday night, that the abolitionists were landing in large numbers at Newport News. If the information be correct, it is not improbable that the Yankees alluded to comprise the army corps of Gen. Smith, that sailed from Fortress Monroe last Thursday.—*Dispatch.*

From Arizona and New Mexico.—RICHMOND, Feb. 17. Private dispatches from Arizona and New Mexico represent these Territories in a state of revolution. After the withdrawal of the Confederate troops last July the Mexican population rose against the Federal soldiers, signally defeating them in two pitched battles. The enemy are shut up in Forts Craig and Union. Gen. Archalatta, the Mexican commander, has sent to Gen. Magruder for reinforcements.

Later from the North.—FREDERICKSBURG, Feb 17.—Northern dates of the 15th received here. Dispatches from the United States Consul at Alexandria, Egypt, and Dayton, at Paris, laid before the Senate, state that the Viceroy of Egypt has furnished the Emperor of France several hundred negro soldiers to garrison Vera Cruz. The Consul at Alexandria demanded an explanation from the Viceroy and European Consuls had telegraphed for instructions from their Governments. The Empire City from New Orleans on the 4th, reports Banks' forces in condition to take the field and it was thought a forward movement would be made at once. Water flows through William's cut, near Vicksburg, and a steamer had passed through.

THE NAME "YANKEE."

The author of the new work, "The Campaign from Texas to Maryland," is a Preacher. From his book the Richmond Whig copies the following reasons for calling our enemies "Yankees," and we copy it somewhat for its truths and somewhat for its humor. It is as rich as a Pope's Bull of Excommunication:—

"Yankee: The popular name for the citizens of New England. This is what Webster says it means—and this is what we want—a name for the people of New England. And, as their history is well known to the civilized world, the whole world will understand us, and we will understand ourselves, when we call them Yankees. It is the only name or word in the English or any other language, living or dead, that can be applied with full scope and force. It extends to all their ten thousand schemes of deception and fraud, and comprehends their every act of lying and stealing, from the days of Washington till the present hour, in all their political, legislative, executive, commercial, civil, moral, literary, sacred, profane, theological and diabolical history.

"The word has ever been used in contemptuous ridicule of their conduct towards each other, and their dealings with the rest of the world. And there is no other word in all the range of human learning, which will convey to the mind of every man, both in Europe and America, in Africa and the Islands of the Sea, so many, and correct traits of character, as the word Yankee, when applied to the Yankee. And thus applied, it means meddlesome, impudent, insolent, pompous, boastful, unkind, ungrateful, unjust, knavish, false, deceitful, cowardly, swindling, thieving, robbing, brutal and murderous.

"With this name we involuntarily associate the story of the Clock Peddler who stole the landlady's counterpane off of her own bed, and then sold it to her—shoe-soles made of birch-bark, wooden hams, patent medicines, chalk milk and wooden nutmegs. It carries us back to days of yore, and enables us to look at the different phases of society, from the time they burnt old women for witches to the days of the inauguration of the 'woman's-rights conventions.' Exhibiting the style of dress worn by Puritans in beautiful contrast with the fast age that puts their women in breeches.

"This Yankee country has given birth to Socialism, Mormonism, Millerism, Spiritualism and Abolitionism, with every other Devilism which has cursed the naton of Unionism. And, as there is one word that will express all these and a hundred more *isms*, I prefer to use that word, and thereby say all that can be said on this subject—the term is Yankeeism. And we will call them Yankees: General

Observer.

"HONESTY IS THE BEST POLICY."

We wish we had room for all of an able article in a late Richmond Enquirer, written from Washington, Geo., on Public Credit, the Resources of the Confederacy, &c. It abounds with good sense, enforcing the principles of common honesty in nations by such striking paragraphs as this:

"The foundation of public credit is confidence that the public debt will be paid. For an illustrious example of the mode of obtaining and preserving public credit we have only to look at the history of Great Britain. In *payment*—obstinate, resolute, determined *payment*—lies the whole secret. Her obligations are met punctually on her part, without pains or anxiety on the part of her creditors. She puts herself out to meet them—assumes the whole burden—calls not on her creditors for effort—endures anything—everything—but *pays her debts* in good and evil, in peace and war, regularly as the heavenly orbs, as though payment were the result of fixed natural laws. The consequence is *credit*—lustrous, untarnished credit, nobly illustrated by the court paid to her by the capital of the world. Upon each billion of dollars of her debt she pays $30,000,000 of interest—three per cent. We should have to pay eight per cent.—$80,000,000. The difference—$50,000,000 per annum—is a tribute to *confidence* in her good faith—to confidence, we say, every dollar of it—to confidence, for we are as able, relatively, to pay our debts as she. Here we see the spectacle of $50,000,000 per annum laid cheerfully at the feet of confidence—nay, as her debt exceeds $4,000,000,000 the annual tribute is $200,000,000. What a Queen is *Confidence!* How can we, too, conciliate her, join hands with her, and make her our own?"

If there be in the bounds of the Confederacy a man who harbors the dishonest suggestion that it may be hard to pay the public debt, entailed upon the Confederacy by this war, let him study out the results of This *Confidence*, and he will find that in truth it is easier to pay our debts than to repudiate them. The Confederacy will inevitably be a large borrower. It comes into being with a heavy debt, and may have to add largely to that debt, to create a navy and to support an army sufficient to protect our borders from yankee negro thieves. The slightest taint of dishonor would oblige us to pay perhaps 10 or 12 per cent. interest; whereas if we attain that "lustrous, untarnished credit," which results from an unflinching determination to pay to the utmost farthing, it will not be many years before all we want may be had at 5 or 6 per cent., a saving of fifty or sixty millions a year. It is cheaper to pay than to repudiate. But besides the national credit, the individual credit of the people, the merchants who buy abroad, will be likewise affected favorably or otherwise by the conduct of the government in this matter.

The writer says truly,—

"The specific test of national integrity is tax laying on the part of the representatives, and tax paying on the part of the citizens." * *.* The people who pay the taxes must vote for the representatives who lay them. National integrity is the sole reliance of the public creditor. The question is to be solved "are we an honest people?" The government creditor should have his payment without suit or solicitation. Shall we abide the test? Shall we prove to be an honest as well as a wealthy people? Or shall our resources simply add to the conspicuousness of our shame? The effect of abiding this test will be unbounded upon our glory as a people, upon our morals, upon private integrity, upon pride of country. It will ennoble both State and people. Yet in a popular government, how will demagogues rage, and wheedle and juggle, in favor of repudiation under some specious name, and in the cause of the people.

"Another method of conciliating confidence is to be found in the evident *tone* of public men—the press and people of the country. When that tone is high and honorable; when public men act as becomes statesmen; when the bearing of the public under pressure is cheerful and buoyant; when base propositions are frowned down with indignation—or rather dare not show their heads at all—then it is that confidence springs up Every low, or under handed, or sneaking scheme or contrivance, detracts just so much from confidence, which is as necessary as even resources to credit."

"One further consideration for capital: Far sighted capital should weigh well *the consequences of the failure of this government.* If the government be not maintained how wide spread the ruin! Laying aside all other considerations, what a financial wreck!

We undertook this revolution for worthy ends and not without consideration of our means of accomplishing it. Experience has vindicated the view then taken of the extent of our resources—the determination and patriotism of our people and our power of self-sustentation against all probable efforts against the right we asserted of self government. Those efforts, however, have surpassed all previous anticipations; but we have still risen to the occasion. Now we are so far in this war that "returning were more tedious than go o'er." Capital should nicely consider this, and sustain the government by funding notes. Consider, subjugation is no less financial than political ruin. Our banks are so deeply involved that their insolvency will follow that of the government they have so nobly sustained. Our interests are all committed to success, all involved in the permanence of the government. Negro property is the leading property of the Confederacy, the foundation of the largest half of credit. The owners of slaves, and their dependants, (what a proportion of the population;) are rendered insolvent by conquest. Those foundations upon which men rest their most confident expectations all go with our liberties. The war does not confine itself to our political, nor even to our social status, but affects our financial status as profoundly. No such status was ever before at issue. When we consider the character and habits of our people, the changes involved in conquest are the most radical and the most disastrous known to history—political, financial and social.

"War has already disciplined us to hardship. A little moderation in enjoyment, when peace is restored, will enable us to pay our taxes, and so Government to pay its debts. We have pledged to this movement "our lives, our fortunes, and our sacred honor" Nobly has the pledge of life been redeemed The best blood of the land has flowed as water. Capital has ventured largely, our fortunes are all afloat, and are wrecked with the ship, if the ship float not. How shall it be with our "sacred honor?" Is it the least dear to us of the three? Shall we be a gallant people—a wealthy—but a dishonest nation? God forbid? We can and will redeem "our sacred honor." We shall preserve our self-respect, and the respect of mankind. Let the people mark the man who counsels dishonor. Let them spit scorn upon him. Let his name be a hissing and a by-word. Let it be handed down, with that of Arnold, as the synonym of baseness, and the children in the street say of him, "Lo! this is the man who counselled *repudiation.*"

"Let our public men hiss the shadow of repudiation. Our subjugation would be the involuntary result of foreign violence; repudiation would be evidence of voluntary, innate want of principle. Let every Southern statesman and citizen adopt the language, "I understand not the idea of repudiation!" Let us hate it worse than Yankee tyranny, for the latter would be our misfortune, and the former our crime."

CORRESPONDENCE OF THE OBSERVER.

RICHMOND, VA., Feb. 12, 1863.

Messrs. Editors: Every body still succeeds in the great object of life—that is in getting enough to eat. Although every thing is so high, yet every hotel here is you know always complain of the high prices and scarcity of butter, eggs, fish, milk, &c., but hardly ever furnish these articles whether high or low. When I hear my landlord complaining about these things it reminds me of old Ike's indignation at the increased taxes, when it is affirmed he has never paid one cent of tax within the memory of the oldest inhabitant.

Richmond is more crowded now than usual, and it is almost impossible to get accommodations. A great many persons, mostly women and children, are constantly arriving from Washington and beyond our lines. Congress seems to be paralyzed and hardly displays action and spirit equal to the emergency. I have witnessed their proceedings and listened to their discussions frequently, but have observed nothing of special interest. The matter of finance seems to present the greatest difficulty, and well may the wisest heads maturely consider all measures pertaining to this subject before they adopt them. Provisions for the defence of the country and keeping up of the army have generally received prompt and efficient legislation. The evils of extortion and speculation, it seems, cannot or have not been remedied. The matter of retaliation on the enemy for crimes and outrages, upon which the country has anxiously awaited and expected legislation, has not yet been acted on. It is a subject of vast importance. Congress hesitates at the mention of retaliation, and shows timidity, doubt and want of confidence, like a bashful young man when about to "pop the question" to the adored object of his affections. This indecision weakens us and strengthens the enemy the longer we indulge it." It has been one of our most serious faults to be too slow to appreciate the true character and motives of the enemy and to counteract his designs. That it is our imperative duty to adopt rigid and prompt retaliation is to me perfectly plain. Individuals may do well as good members of society to [illegible] and [illegible] in the manner of outrage; but nations are governed by very different obligations. The honor, interests and welfare of a whole people are under the control and protection of the government and the authorities must "take care that the Republic suffer no harm." When an enemy persists in departing from the customs of civilized war in depriving our citizens and soldiers of life, liberty and property, we should not hesitate to inflict like punishments on their people. It is urged that they would again inflict similar penalty on those of us they might capture. This they do anyhow, and they would have shown no quarter from the start had they not feared retaliation, and just so soon as they find retaliation abandoned then will they carry into effect their original programme. Their government is committed to this policy and their laws require that all rebels be put to death, or at least lose their property and citizenship. This is their judgment and they only need power and expediency to carry into effect. So what can we lose by taking the life of a yankee soldier for every Southern citizen or soldier executed by the abolition forces and authorities?

Our people will endure such measures much longer than they, as the past history of the war proves. The more considerate of them will take due notice of the fact, and see it in a new light, that the Yankees have necessarily to come here and force us away from our homes to murder us, while we only execute them on our own soil—a fate they may easily avoid by staying away.

Such a game would soon effect a more decisive check on the advance of the enemy than the delay of pontoons. Hundreds of our citizens have been murdered or are dragging out a weary existence in loathsome dungeons. How long must this be so? Are we afraid to assert and maintain our rights? By hard blows, bold strides and daring achievements we are what we are. Our future policy must be like our past in this respect, and when we see our duty we should not hesitate to perform it. We are able to retaliate on the enemy and make him respect us far enough to compel an observance of the rules of civilized warfare. He has never yet failed to yield when the test was properly put. We have heard the mighty lion roar, we have met him and bearded him in his den, and with all his rage and fury we have dealt him blow after blow and sent him reeling back to his couch till his fierce fiery eyes begin to look drooping and languid and the thunder of his roaring is mingled with pitiful wailings. We have jostled whole yankeedom from centre to circumference, and they have long since found out this is no "artificial revolution," but a terrible illustration of the "irrepressible conflict." The mere indecision and discussion of the subject betrays weakness and want of confidence on our part, while they are encouraged to greater effrontery and injustice. Let it be at once agreed to have life for life, punishment for punishment, always decided and prompt, and we may secure the desired object; but if not we cannot be worsted. Those of the enemy in league with armed slaves should suffer whatever pemalties the laws impose for such offences, but in a more expeditious way than by common trial. If it be irregular to transfer these cases to the civil authorities of States, let Confederate tribunals—military or civil—dispose of them.

The excuse that the yankees troops are only agents of their government in this kidnapping and insurrection and not therefore personally and maliciously criminal, is entitled to but little consideration. Were we at war with a foreign nation, such right might be derived from a state of war as a proper war measure to damage the adversary, but the United States cannot under the Constitution adopt this course. But they have authorized the freeing and arming of slaves, the reduction of States and other acts completely violating and nullifying the Constitution, pledged faith and all civil and republican law. If we admit this usurpation and evil legislation, and report them as the legal acts of a proper government, we must admit also that we all should be hung, our posterity forever disfranchised and our property be owned by any body strong enough to take it. No. We are sure, the Constitution and laws of the United States, and of the respective States, and of our own Confederacy, forbid such acts, and it is sufficient for us to know that some person or persons from the U. S. have violated these laws and not from any necessity in war, and it is then our plain duty to inflict the penalty. Truly, LONG GRABS.

RICHMOND, Feb'y 15, 1863.

Messrs. Editors:—I forgot to tell you that an incident occurred as I was leaving camp the other day that came near being the last of "Long Grabs." I was riding a wild horse to the Railroad, and while going through a plantation I discovered a negro on horseback coming towards me as fast as his animal could bring him. He had two immense bundles of straw tied together and swung across the horse's shoulders presenting the appearance of two or three haystacks revolving in a whirlwind. Horses, like people, prefer company when danger is about, and being terribly frightened, I suppose his horse was trying to get up with mine, that he might receive some sympathy in his troubles. I was hardly able to control my animal till I could comprehend the approaching object, when he darted away with me, dashing over fences, ditches and woods. On we went through valleys and over hills, the old negro's horse mending his speed and gaining, and whickering with all his might, while the old negro implored me to stop or invent some plan for his safety. The dogs chased us as we passed houses, the people shouted and got on tops of gates and fences, while the little negroes, pigs and geese opened a wide way somewhat as the waters of the Red Sea did for the children of Israel. At one moment I was dodging a limb or sapling and at the next glancing back to ascertain the condition of my sable follower, but was unable to distinguish horse, negro or straw in the rolling mass, only that they seemed to go by turns from bottom to top. Finally one of the bundles became unfied and scattered out and the weight of the other turned the saddle over, breaking the girth and dropping saddle, negro and all on the ground. The horses soon stopped and I found the negro unhurt but very serious. He manifested extreme disgust at that method of carrying straw, and affirmed that another negro in his regiment, "who never had no sense no how," had invented the plan.

The new Theatre here has been in operation for the last week or two and is a splendid structure. The inside presents a magnificent appearance; the frescoing is beautiful and displays superior taste; and the curtains, paintings and scenery are appropriate and elegant. A few of the actors and many of the plays are equal to the surroundings, but most of the performances are quite inferior. The house is crowded every night with the various grades of the best and worst society in Richmond. The house will seat some 1500 persons, and counting those who stand on your toes and "scrouge" in, I suppose it will hold 2500. From the moment the doors open it is one universal "irrepressible conflict" till the house is crammed and jammed, and Niblo's Garden, Barnum's or Laura Keene's might well envy the crowd that flocks here. It takes a person of superior talent and much study to perform well on the stage, but the players here seem unable or unwilling to present *thorough* and *correct* representations, and if they should, their labors would not be appreciated by the audience nor would as much interest and amusement be manifested.

The City Battalion, raised in the city and on local duty, has dress parade every evening in the most public part of the Capitol Square. It is worth the trouble occasionally to see the crowd there assembled and read man's diversified character there so indelibly written. First you notice the dazzling gaudy officer with much brass on his coat and little brains in his head, strutting pompously to the tap of the drum, *a la turkey gobbler*, with white kid gloves, red sash and sabre salute *a la Francaise.* Then you are attracted by the exquisite profile of the Baltimore Plug detective, standing vis-a-vis and cigar-a-cigar with the sleek, well fed, well dressed faro dealer, and next to the bewitching figure in rustling silk and broad crinoline flirting with half a dozen smitten and youthful members of the Legislature and juvenile officers. Then you meet a couple of fast young refugees—*rares aves*—who perhaps have lost all but airs and affectation, love novels and nonesense and now find happiness and plenty therein.

Then there is the mother, growing in years, with her frolicking little chaps whose father has "gone to the wars." She tells the little folks that this is the way papa's regiment does—the swords are all like papa's swords, &c. The lovely bride recently "wooed, wed and won," by the "nice gentleman" in "one of the Departments" strools leisurely along, hanging on the arm of her husband, happy alike in the sweets of the honeymoon and in knowledge that *he* is not compelled to go to the war. Next is a group of prattling, boisterous young ladies and young gentlemen—all delighted with each other—so many "oh my's" and "so glad's" and "so sorrys" and bright mad, indeeds." The next chap consisting of all the "good jokes," "secrets," "stories," "fibs" and "messages" about each other and their acquaintance. Then there is the non-descript—the "man about town," the officer, government agent, or whatever he can be called, who lives fast, but has no visible means of support. He is from parts unknown, hires fine carriages, has fine clothes, knows all the "big fish," boards at the Ballard House or Spottswood at $6 per day, but never pays his bills. He shapes the fashions and also public opinion in all great sensational matters, and is *par excellence* the critic of men, things and measures. Then we see the dignified, self-important member of Congress, balancing his heavy gold headed cane in his hand with his opera glass dangling from his side and [illegible] with such a windy speech a few days ago. Next is the long, lank, knock-kneed, drop-to-pieces individual who reports for the Examiner, his face resembling a circular saw, and his knees and chin nearly meeting, as though he were intended to be an honorary member of the hook and ladder company. Then there is the ragged, saucy news-boy, bawling out, "Here's yer Whig, 'Sputch, 'Examiner and Enquirer," and the sly colored nurse telegraphing mysterious signs by nods and winks to her fable admirer as he passes on errands. *Sic transit gloria mundi!*

Truly. LONG GRABS.

FOR THE OBSERVER.

IN MEMORIUM.

Died, on the 19th of Sept. last, from the effects of a wound received in the battle of Sharpsburg, JOHN I. MCNEILL Co. G, 24th Reg. N. C. T. Altho' near six months has passed since his noble and generous spirit took its flight from earth, yet the wound is still fresh in the hearts of friends and relatives. He is but one of many thousands, who, leaving home and friends, immolated themselves upon the altar of their bleeding country, preferring rather to die a glorious death, than submit to the rule of an ignoble tyrant. Long may their memory remain green in the hearts of our people. The subject of this memoir, while living conducted himself as a soldier and christian, preserving all those virtues in the army which so distinguished him at home. Affable and gentlemanly in his manners, of a kind and forgiving disposition, he was the pride of his parents and the favorite of all who knew him. This blow has fallen doubly heavy on his bereaved parents, followed so soon by the death of another son, the noble and generous ANGUS. On the banks of a little stream that winds its way into the Potomac, we buried him. Gently and silently we laid him in a hastily made grave, and with bursting hearts and unutterable anguish we saw the earth close over him, who but a few hours before was in all the strength of manhood When life's fitful fever is over and we too are called from earth, may we not hope to meet him in Heaven, and enjoy the re-union with him whom we loved. P.

Columbia Guardian please copy.

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460 ACRES LAND FOR SALE.

THE undersigned offers his PLANTATION for sale, situated on the west side of Cape Fear River, 18 miles below Fayetteville. On the above premises there is a comfortable Dwelling, all necessary out-buildings, a good Store and Ware-house, and is an excellent stand for a country merchant. There is a fine young apple and peach Orchard and a good scuppernong Vineyard. There is about 200 acres of River and Swamp Land, of which about 100 is in cultivation, and produces finely. There is also about 50 acres of up-land cleared, with clay subsoil, and produces well. There is a public Ferry on the River, which is profitable and adds a great deal to the convenience of the owner.

I will take pleasure in showing these lands to any one who desires to purchase. Persons wishing any further information, will address me at Gray's Creek P. O., Cumberland Co., N. C.

THOS. W. DEVANE.

Feb. 16. 5*4tpd

LAURINBURGH

Classical and Scientific School.

THE ensuing session of this School will commence on Wednesday Feb'y 25.

N. B. A Primary Department under the instruction of Mrs. A. P. Gage, will be permanently attached to the School.

Male students desiring to enter upon either the Classical or Scientific course, can obtain board in the family of the Principal. For particulars address

A. P. GAGE.

Feb'y 18, 1863 4-4tpd

HAULING.

WE will pay $1 25 per 100 lbs for Hauling old machinery from Mr. Coffin's Store on the Western Plank Road, to Spout Spring Depot or to Jonesboro' Depot on the Western Railroad. The distance is about 25 miles

Address D. ANDERSON & CO.

Eagle Foundry.

Feb'y 18th 1863. 4-2w

FOR SALE.

MY HOUSE and LOT on Harrington Hill, containing 20 acres. Possession given the 1st of April. For particulars apply to me at the Bank of North Carolina.

WM. HUSKE

Fayetteville, Feb'y 18, 1863. 4tf

EAGLE FOUNDRY.

THE undersigned is now prepared to make [illegible] of Casting, DRY SAND, GREEN SAND, and LOAM WORK, BLOWING CYLINDERS, CAULDRONS, KETTLES, &c., of all sizes and shapes, particularly *RAIL ROAD WHEELS.* Having experienced workmen in the manufacture of Wheels, and being convenient to the Coal and Iron Mines, I am prepared to manufacture Wheels which I will warrant not to crack and equal to the Whitney wheel, or any in the Southern Confederacy I am also prepared to make Chilled Tires for driving wheels, either solid or hollow.

Rail Road Companies from any part of the Southern Confederacy can be supplied by sending their orders. These wheels can be shipped to Wilmington, from thence to any part of the Confederacy.

DAVID ANDERSON.

Jan. 19 95 itf

FARM FOR SALE.

I WISH to sell about 430 Acres of LAND, situated on the East side of the Big Swamp, in Bladen County, half a mile below Mayaville, and three miles from the Cape Fear River There are about 125 Acres of this Land which is cleared and ready for cultivation; there is also a good House upon it, suitable for the accommodation of quite a large family, and the necessary out houses. The balance of the Land is well timbered with Pine, Oak, Gum, &c. No better range for cattle or hogs can be found in this section of country. For further particulars address me at Elizabethtown, or D M. Foyles, Wilmington, or Jas. O. Barry, at Fayetteville.

J. T. NURNEY.

If the above Land is not sold before the 2d of March, it will be offered at public auction, at the Court House in Fayetteville.

Feb'y 2. 99-i8tpd

D. D. MCIVER'S STATION, WESTERN R. ROAD, Feb'y 17, 1863.

Messrs. E. J. Hale & Son:—For the first time since the existence of your valuable paper, I most respectfully ask a place in its columns to correct a slanderous report, which I learn from good authority is circulated and talked of in your town and in this vicinity, and each day the unmitigated falsehood is widening and lengthening as a thing which has no bounds, and perhaps brought down the reproach and malevolence of many a soldiers' wife.

The story goes that I went down to Fayetteville some time ago with a long list of the names of soldiers' wives, and with the plea that it was for them, I succeeded in buying a large lot of Factory goods (sheeting) which I sold for a large profit before I reached home It is true that I was in Fayetteville not long since and bought some sheeting, but not in town. I tried and failed to get a single piece. I suggested to some of the citizens that I would hire a horse and buggy and go out to Rockfish—they told me it was no use; but however I went in company with another gentleman on the same business, risking the chances, and when we arrived at the village I called upon Mr. McDougald (the agent there for the goods,) and told him I came out there expressly for the sheetings and wanted ten pieces, a part of which was for myself and a part for my friends; he hesitated a moment and said I could take it at 35 cts. per yard. I returned to town and let two of my friends from the country have each 2 pieces, the balance I brought home for the members of my own family. The day after I was at Rockfish Mr. Jeff. Johnson says he sent his son out there to make a similar purchase, and could get but one piece. Mr. Johnson's son wanted to know how it was that I could get ten pieces and he but one. Mr. McDougald replied (so says Mr. Johnson's son) that the reason why he let me have so much was that I came there with a long list of the names of soldiers' wives, and it was for them I wanted it. And now, Messrs. Editors, I leave the origin of this infamous and impetuous report with Mr. McDougald, Mr. Johnson and son. I have a living witness of high respectability who will vouch for the above stated facts.

Respectfully and truly, yours,

ARCHIBALD D. MCIVER.

Messrs. Editors:—I was present and heard every word that passed between Mr. McIver and Mr. McDougald, and I most heartily indorse the facts above stated by Mr. McIver. Respectfully yours,

4-2tpd] ELISHA B. GILMORE.

AVON E. HALL,

Forwarding & Commission Merchant,

WILL give quick despatch to goods co. signed to him Particular attention given to all produce sent him for sale. Consignments of Naval Stores, for sale or shipment, solicited.

WILMINGTON, Jan'y 19, 1863. 6211y

THE [illegible] OF NORTH CAROLINA.

We copy from the Examiner the following report of remarks in Congress on Wednesday last, on the presentation of the resolutions of our Legislature denouncing the slanders propagated against the State:—

Mr. Gaither, of North Carolina, by leave, introduced a series of joint resolutions of the State of North Carolina, vindicating the loyalty of the State and of its General Assembly.

After the reading of the resolutions, Mr. Gaither said the State had been greatly misrepresented beyond the line where her true sentiments were known. He had been mortified at the question frequently asked him, if the State was not in favor of a reconstruction of the old Union? Those resolutions reflected fairly the sentiments of all parties in the State. It was unfortunate that the State was divided into parties at the present crisis, but on the great vital principle her people were a unit, and extended a cordial support to the administration of this Government. Two parties sprang up early in the revolution, and its fruits had been evil. It was known that North Carolina never believed in secession, but after her seven sister States seceded, a Convention was called in February 1861, the vote for delegates being cast as for or against secession. The result of the vote was that eighty gentlemen elected were opposed to secession, and forty in its favor. On the question of calling the Convention, a small majority of the people decided that it should not be called at that period. This was the origin of parties in North Carolina—the secession and conservative parties. But when Lincoln's proclamation appeared, calling out troops to subdue the "rebellion," there was but one voice in North Carolina. A Convention was called, and the result was an unanimous vote to separate from the old Government. From that period to this, there has been but one sentiment in the State. It was now alleged that the conservative party, headed by the distinguished Governor, was not in favor of a prosecution of the war. Who (said Mr. G.) was Governor Vance? He was a member of the old Congress, and tendered his resignation on the appearance of Lincoln's proclamation, came home and tendered his services to the South, was elected captain, promoted to a colonelcy, and distinguished himself at Newbern and around Richmond. He remained in the field until called by the people to fill the gubernatorial chair of the State. He now heads what is called the "Peace Party" in North Carolina, than which no State in the South has more patriotism. No State had poured out blood and treasure more liberally to sustain the cause; and he need but point to her heroic deeds and gallant dead on the fields around Richmond to furnish ample evidence of her loyalty. Mr. Gaither continued to vindicate the State from charges made against her, at some length, and alluded, in passing, to the number of conscripts furnished, while the people were generally opposed to the conscription act.

Mr. Lander, of North Carolina, endorsed, in the main, what had been said by his honorable colleague, but thought him incorrect in his statement that North Carolina had always repudiated the right of secession. The Democratic party, which had been in power the most of the time since 1840, upheld it as a constitutional right, and from the beginning viewed the contest between the North and South as a righteous struggle. He disagreed with his colleague, also, in regard to the conscription act. He would speak for the noble eighth district, which he represented; the people there endorsed the act, and when he went home at the close of last session, he was congratulated as having sustained a measure which had saved the country. Mr. Lander repeated that he endorsed the resolutions in the main, but saw no necessity for their adoption by the Legislature; for the noble acts of North Carolinians in the field had sufficiently vindicated the loyalty of the State. The great cause of the resolutions was the Ten Regiment bill, which passed the House, but, he thanked God, was killed in the patriotic Senate. The House having done wrong, found it necessary to do something to keep the *in's in* and the *out's out.* He believed that all true patriots in North Carolina were in favor of the conscription act.

After some further remarks by Messrs. Gaither and McLean, of North Carolina, the resolutions were laid on the table and ordered to be printed.

Mr. Foote, of Tennessee, desired to enter a protest against the discussion of the constitutionality of secession at this late period, when all were in its favor and fighting to maintain it. He was also opposed to the discussion of the conscription act, since all the States had recognized the duty and necessity of carrying it into effect. We were all now practically conscriptionists. Some did not believe it constitutional, but all acknowledge the necessity of enforcing it to save the country.

WANTED.

WE wish to employ immediately a few CARPENTERS, BRICK MASONS, and LABORERS, at the Eagle Foundry. D. ANDERSON & CO.

Feb'y 14, 1863. 3-3ti

FOR SALE,

FINE TOOTH COMBS. PINS. SNUFF. TOBACCO. SLEYS, &c, Also a few Ladies' CLOAKS, at ISAAC HOLLINGSWORTH'S.

Feb'y 16. 3-4tipd

STATE BONDS FOR SALE.

APPLY to ARC'D McLEAN, Cash'r.

Feb'y 19. 4-3tipd

PLOWS! PLOWS!!

NO. 10 Plow Casting for sale at the Eagle Foundry, by D. ANDERSON.

Jan. 19. 95-itf

Wanted to Purchase Immediately,

2 LIKELY YOUNG NEGROES, from 8 to 10 years of age, one boy the other a girl, for which I will pay a liberal cash price. Apply at the Photographic Gallery. C. M. VANORSDELL.

Feb'y 16. 3itf

FOR SALE.

I OFFER for sale my HOUSE and LOT in Summerville, Harnett county. The House contains 8 large rooms, with fire places in each. The Lot contains 3 acres with all necessary out houses.

ELIZABETH BAILEY.

Feb. 17. 4*3tpd

Headquarters 51st Reg. N. C. M.

THE Commanding Officer in each District in the 51st Reg't N. C. M. is hereby notified to assemble all white male persons between the ages of eighteen and forty years within his district, at the Court House in Carthage, for medical examination and final enrollment, on the 9th, 10th, 11th, 12th and 13th of MARCH next.

W. M. B. RICHARDSON, Col. Com'dg 51st Reg't N. C. M.

Feb'y 17, 1863. 4-3tpd

TO COTTON PLANTERS.

I have been appointed, by the Secretary of the Treasury, Chief agent for the purchase of Cotton for the Confederate Government within the State of North Carolina, and will pay for the same in 8 per cent Bonds, or cash. Sub-agents visiting the different parts of the State, buying in my name, will have written certificates of appointment.

Patriotic citizens are now offered an opportunity to aid the Government by selling to it their cotton rather than to private capitalists.

LEWIS S. WILLIAMS.

Charlotte, Feb. 17. [C. D.] 4-1m

WAR NEWS.

Yankee Gunboats Captured—Brilliant Victory.—PORT HUDSON, Feb. 17.—The Federal steamer Queen of the West captured the Confederate transport Era in Red River, and forced her pilot, John Burke, to take the wheel and ordered him to take the gunboat to our batteries. Burke feigned fear, but finally took the wheel under Yankee guard, and upon nearing the batteries he told the Yankees they were fifteen miles below them. Putting her close in, she received a shot which broke her steam pipes, disabling the boat. Burke jumped overboard and swam ashore. The boat drifted to the opposite shore, when her crew made their escape, with the exception of 18, who fell into our hands. The crew subsequently got aboard the Yankee boat Desoto, and with 200 stolen negroes effected their escape. The Queen of the West is now in possession of the Confederates and will be towed to a place of safety for repairs.

It is reported that the Yankee gunboat Indianola has gone up Red River to recapture her.

Later intelligence states that the Confederate steamer Webb has recaptured the Era. The Era is disabled, and also one wheel of the Queen of the West is slightly injured, but will soon be in fighting trim again and under Confederate colors. Positive information states that the transport Desoto has been burned by the Federals to prevent her falling into the hands of the Confederates.

PORT HUDSON, Feb. 18.—The Alexandria Democrat, extra, received here, contains the official report of the capture of the Queen of the West, from Capt. Kellso, commanding fortifications on Red River. He says two gunboats made their appearance in front of his position at five last evening, and after a brief cannonade the leading gunboat, Queen of the West, struck her colors, and he ordered Capt. Hutten and Lieut. Delahunty to go aboard and demand a surrender. These officers report, but thirteen of the officers and crew on board; the others escaped under cover of the night. The visible results of the capture consist in one thirty-two pounder rifle Parrot gun, one twenty-four pounder, three twelve pounders, one ditto slightly damaged, besides a large supply of ordnance, medical and commissary stores. The Democrat says the victory is complete and decided, and we are ready to capture all such crafts as Vicksburg allows to pass.

Capture of a Gunboat on the Arkansas.—After the surrender of Arkansas Post by Col. Churchill, the Federals sent one of their best light draught gunboats up the Arkansas river to make a reconnoissance, with a view to an attack upon Little Rock. After ascending the river a considerable distance, the gunboat was surrounded and attacked by a Confederate gunboat and two cotton-clad armed transports, and was captured and taken to Little Rock. Two larger boats were started in pursuit, but their draught of water was too great, and they had to return.

At Arkansas Post the Federals lost 450 men killed outright, and a larger number wounded. Col. Churchill's loss was 40 killed. The Federal force amounted to 20,000—that of Col. Churchill to about 4,000.—*Southern Crisis.*

The Galveston Victory.—The Houston (Texas) Telegraph is "credibly informed that two of the Federal steamers engaged in the battle of Galveston, sunk after they got out to sea. Out of the seven steamers engaged, one was captured and three destroyed, leaving but three that got off. Commodore Renshaw was blown up in the West field. It seems the train to her magazine was laid and fired. He left the vessel. The explosion not occurring as soon as he expected, he returned on board with ten men to see what was the matter, and while there the vessel blew up, killing all hands."

The Yankee Army of the Potomac.—RICHMOND, Feb. 19th.—It has been ascertained that about twenty-five or thirty thousand Yankee troops have been sent from the army of the Potomac to Suffolk and Newport News. Burnside's old division occupies the latter. Cabins, ovens and other evidences of protracted encampment have been erected. Five steam transports are, however, kept in readiness in Hampton Roads.

Yankee Deserters.—A negro servant named Pleasant, the property of D. DeMoss, of Madison Parish, La., and attached to Co. A, 4th Louisiana Battalion, stationed near Savannah, having obtained permission to visit his family, has just returned. While in Louisiana, he came across three Yankee deserters in the woods and took them to Vicksburg. They reported to him that the woods were full of deserters from the Federal army.

Resigned.—Maj. Gen. Gustavus W. Smith, of the Confederate States Army, having tendered his resignation to the President, it was yesterday accepted. His staff, composed of officers from various States, have started to their several destinations.—*Rich. Dispatch, 19th.*

From Newbern and Washington.—We learn by an intelligent gentleman just from Beaufort county and the immediate vicinity of Washington, that there are about 1500 yankees and three gunboats only at that place.

On Friday last 25 of our cavalry, Col. Griffin's regiment, were on picket duty about 3 miles of Washington, when a yankee force of *sixteen* came out and surprised them, and took 5 men and 13 horses. The balance of our men ran away, leaving their guns. This happened at 12 o'clock in the day, in three miles of the enemy, at a picket station. The Lieutenant in charge, we are told, was visiting or getting dinner at a house in the neighborhood, the Sergeant was off for a similar purpose, and the balance were playing cards, cooking, &c. We hope that under Gen. Hill's management our cavalry may be made more reliable and efficient.

The gentleman from whom we obtained the above information assures us that Stanly has not only resigned, but that he left for New York some time ago. It was not stated that any successor had been appointed.—*Ral. Progress, 20th.*

A New Commander.—We are glad to learn that Gen. D. H. Hill passed down on Tuesday to assume the command that has been tendered him in North Carolina, with the head quarters at Goldsboro'.—*Ral. Progress, 19th.*

FROM THE NORTH.

The Richmond Enquirer has received Northern dates of the 16th inst., from which it condenses the following summary of news:

The N. Y. Herald of the 16th says, the Illinois Legislature passed strong revolutionary resolutions, chiefly made up of violent denunciations of President Lincoln's administration, and of propositions for an armistice and a peace convention at Louisville. Similar resolutions were pending in the Indiana Legislature.

The Washington correspondent of the Herald says that prominent Republicans have been heard to announce themselves in favor of peace upon any terms. The expression of such sentiments caused quite a commotion among the politicians at Washington.

The report of the committee on Territories shows that the Mormons are openly inimical to the government of the United States.

Lincoln has sent to the Senate his nomination of Gen'l Phelps as Major General, dated Dec. 4, 1861, thus outranking all other volunteer Major Generals, including Burnside and Hooker.

The N. Y. World says the recent town elections in New York show immense conservative gains over the vote last fall.

The World of the 13th contains a communication from D. A. Mahony, declaring that Van Buren's late speech does not reflect the sentiments of the democracy of the North West, who now favor a vigorous prosecution for peace.

A Night Reconnoissance off Charleston Harbour—The Defences.—A correspondent of the New York Herald says a reconnoissance was recently made, in the night, of the defences and fortifications of Charleston harbour. He gives the following as the result:

Charleston is a second Sebastopol. It is defended by over one thousand guns, many of them of improved European fabric. Every island, point, river, creek and swamp in proximity to Charleston is commanded by hostile cannon. Fort Moultrie is iron-cased on the harbour front, and the whole work is bomb-proof. The rebels have two rams and one iron-cased battery, the latter mounting eight one hundred pounder rifled cannon for the defence of the harbour. The casemated tier of guns of Fort Sumter is clothed in iron armour. Parallel bars of railroad iron traverse this iron coating, perpendicularly, from the base to the upper line. The embrasures are protected by massive projections of the same material, presenting acute angles at every side. The rebel batteries are fully garrisoned. The rebel army now in Charleston and the fortifications thereof is about thirty-five thousand strong, and this force is being rapidly augmented. To capture Charleston our military and naval commanders think it will take a large naval and land force, and will occupy a period of six weeks or two months. That it can be captured they have no doubt, notwithstanding its seeming impregnability.

The American Question in Europe.—By the arrival of the Asia we have two days' later news from Europe. Rumors of a contingent recognition of the Southern Confederacy, by Louis Napoleon, are ventilated by the London Press That monarch's reported proposal for a conference between the yankee and Confederate authorities is said to have been pronounced by Mr Slidell entirely inadmissable.

The Paris correspondent of the London Times says:

It is conjectured that the Emperor's proposals are meant as merely preliminary to a more important step on his part. I should not be surprised to learn that, in case of their formal rejection, the Emperor would consider whether the moment has not at last arrived for the recognition of the Confederacy, and this whether England joins him or not."

The London Times has a characteristically gloomy article on the prospects of the North, both in a financial and military sense, and as regards the latter, it says, "perhaps at no time during the war has fortune declared so decidedly against the North over the whole area of military operations."

President Davis's message has excited much attention in England. The Post, Palmerston's organ, commends its ability, acknowledges the right of secession, and promises the recognition of the South at a future day.

The Polish insurrection has been suppressed.

Sir Robert Peel had been speaking on the American question, and said that *he* was one who hoped as an individual, to see the States ultimately become separated and independent of each other. He condemned that odious and abominable proclamation of President Lincoln, which emancipated the slaves in the rebel States only, and said that if they followed the course of the battles which have taken place during this great conflict, they might almost fancy that they saw the God of battles fighting for the South.

VALLANDIGHAM IN NEW JERSEY.

Vallandigham made another of his sensation speeches in Newark, New Jersey, on Saturday.

He said that "I remember *that it* was in the city of Newark, a *little more than two years ago*, that I first gave the pledge to any portion of the people of the United States that I never would contribute, by words or acts, to the shedding of one drop of American blood in a civil war."

He believed that a reconstruction of the Union would take place in his day. Nobody now believes, after two years of war, that we have accomplished, or can by this means accomplish, the restoration of the Union, except Wm. H. Seward. He sees every thing in the color of the rose. I believe that the war is now conducted for the abolition of slavery. That cannot take place until the Government itself becomes a despotism. I don't choose to sell my precious inheritance and boon of political and personal liberty, for which the fields of New Jersey were stained with blood, for the purpose of giving liberty to the negro. (Great applause.) There is now a party who assumes that the war has failed, and urge a separation of the States. I abhor that party. There is another who believe that the war has failed, and desire to try the experiment of bringing the South back by conciliation and compromise I am one of that party. (Great cheering.) Seventy-five out of every hundred of the men of the North-west are in favor of a cessation of hostilities and a commencement of the experiment of restoring the Union by constitutional

OBSERVER.

FAYETTEVILLE.

MONDAY EVENING, FEBRUARY 23, 1863.

THE FINANCIAL POLICY OF THE STATE.—Immediately after the publication of Chief Justice Pearson's letter on this subject, in the Observer of the 12th inst., we discovered that he was in error as to the retention in the Confederate Constitution of a clause from the Constitution of the United States—an error caused evidently by the circumstance that the clause *was* retained in the Provisional Constitution but was afterwards omitted from the Permanent Constitution. We preferred to await his own statement in regard to the error, which he thus writes to us before he had seen his letter in print:—

TO THE EDITORS OF THE OBSERVER.

RICHMOND HILL, Feb'y 16.

My Dear Sirs:—By mere accident my attention was called last night to the fact, that in my last communication to the Observer I commit an error in stating that the Constitution of the Confederate States prohibits the States from emitting bills of credit.

I can only account for this oversight, by the circumstance, that being fully impressed, owing to the present condition of the currency, with the necessity of a prohibition of the kind, it did not occur to me that it was omitted in the Permanent Constitution of the Confederate States. Although the oversight meets my objection to the large emission by the States of notes to circulate as money so far as it rests on constitutional grounds, it does not at all impair the weight of the objection on the ground that the emission of such notes cripples the resources of the Confederate States, at whose expense the war is to be carried on, and brings upon the country the very evils against a recurrence of which the prohibition in the Constitution of the United States was intended to provide; for the fact is patent, "If the States issue notes and the Confederate States issue notes, *ad libitum*, a general bankruptcy must follow."

R. M. PEARSON

The same mail brought to us the following interesting letter from one of the eminent men of the State:—

To the Editors of the Fayetteville Observer:

I have read attentively the statesmanlike letter of Chief Justice Pearson on the subject of the currency, and am prepared to yield a hearty assent to his argument and the conclusion to which it conducts him. He is mistaken, however, in supposing that the prohibition on the States to emit bills of credit, contained in the Federal, is to be found in our Confederate Constitution. It was copied literally in the *Provisional*, but omitted in the *Permanent Constitution*, adopted at Montgomery. The two instruments are nearly identical, and the Judge had the former, probably, before him at the time of writing. An ineffectual attempt was made by one of our ablest statesmen, [Mr. Badger,] in the State Convention, to remedy the defect by engrafting the prohibition as an amendment in our State Constitution. The oversight has no tendency to impair, in the slightest degree, the force of the argument, but rather to give it additional strength.

"*The credit of the Confederate States must be maintained.*" This may be done, and can only be done, by the immediate adoption of an efficient revenue system. Radical remedies, and not mere palliatives, are demanded by the exigencies of the times. The Judge is not mistaken in supposing that, in a war not merely for freedom and independence, but for existence, the people will cheerfully submit to a tax "of *one-fifth* of their annual productions and income of every kind."

The greatest error committed by the State Convention was the assumption of the Confederate tax, and the emission of bills of credit to meet it. Col. Ferebee, it will be remembered, was sent to Richmond to ascertain if the Secretary of the Treasury would receive payment in our Treasury notes, and when the proposition was declined by Mr. Memminger, State bonds were exchanged with brokers for Confederate notes, and the State tax paid in that medium. The Convention ought to have forborne the emission of bills of credit, and levied a war tax. The Confederate Congress must do so now, or the country will be ruined.

How little do we profit by the experience of those who have gone before us! The subjoined extracts from Cooke's compilation of the Revolutionary History of North Carolina, published in 1853, show that history is repeating itself for our benefit, and that if we do not emulate the virtues of our ancestors, we sedulously copy their errors. Gen. Washington, in the darkest hours of the first revolution, protested, but protested in vain, against the ruinous paper credit system, and the absurd and dishonest laws which rendered Continental money a tender in the payment of debts. The Convention, of which he was the President and the master-spirit, by the adoption of the prohibition in the Federal Constitution "to emit bills of credit, make any thing but gold and silver coin a tender in the payment of debts, or pass any law impairing the obligation of contracts," supposed that they had put an end to such legislation forever. Mr. Lincoln, nevertheless, probably regarding himself not a whit inferior as patriot, statesman or commander-in-chief to his almost more than human prototype, seems to recognize no other limit to constitutional power than his own will. I trust we are never to disregard the counsels of the former, or readily follow the example of the latter

From Revolutionary History of N. Carolina, pages 141-5.

"Times of danger are inevitably times of scarcity and privation. The pages of Tarleton and Stedman abound in evidence of the nakedness which the devastations of the invading army, and the ruthless civil war had every where produced.

"Cornwallis' defence of his retiring from Hillsboro' in February 1781, before the day designated in his proclamation as the last on which the friends of the crown might find refuge under the royal standard, rests upon the averment that sustenance for his army could not be obtained at that point. Stedman, the commissary and historian, states that after sending a great distance for cattle, and exhausting the scanty supply, much murmuring was excited among the loyalists, by slaughtering the draught oxen, and that he was at last driven to the necessity of providing means of subsistence, at the head of a file of soldiers, by possessing himself of such salted beef and pork and live hogs as could be found among the inhabitants of the town.

"General Graham informs us that Major Craig, on taking possession of Wilmington, ordered large supplies of salt from Charleston. This indispensable necessary could be obtained nowhere else, and too many bartered their political principles to obtain it. In Rowan and Mecklenburg the price was from $8 to $10 per bushel, or in barter a four years old steer. When Rutherford entered Wilmington, he seized upon the supplies left by the enemy, and the effects of the disaffected. When his troops were mustered out of service, his men were allowed to draw a bushel of salt each, and this, the same authority assures us, was of more value than the auditor's certificate, for all the services rendered during the campaign.

"The Legislature of 1777, to meet the expenses of the war, imposed a tax of half a penny on the pound value of lands, lots, houses, slaves, money at interest, stock in trade, horses and cattle, and a poll tax of four shillings on all persons worth less than £100, in lieu of a property tax * * The rate per cent. was between three and four times as great as it is at present.

"In 1782, horses and mules under 3 year old, were exempted from taxation, and the poll tax on white males confined to unmarried men, not in military service and over twenty-one years of age. Male adults, it would seem, must either fight or marry; decrease the number of public enemies, or multiply the ranks of friends. There was no sanctuary for a coward; the legislature might tax, but the young ladies in those days would not marry a man who would not fight.

"While the range of taxation was modified, the rate per cent. was doubled and was more than equal to seven times the amount of that imposed at present. How much more burthensome it must have been in the then impoverished condition of the country, who among us is able to estimate or to realize? * *

"To mitigate as greatly as possible the severity of this imposition, it was provided that one-half the amount of each assessment might be paid in specific articles, necessary to the sustenance of our armies, to be delivered at designated depots. Corn was received at 33⅓ cents, wheat 43⅜ and clean rice at 81⅓ cents per bushel. Pork 3½, beef 2½, tallow 9, flour 2½, salt 2⅔ cents per pound. Tobacco $3, hemp $5 62½ per hundred. Salt pork $9 37½ per barrel. Indigo 75 cents per pound. Yard wide linen (500 slay) 33⅓ cents. (700) 50. (1000) 75 cents per yard. The great staple, cotton, is not in the list of enumerated articles. Its manifold production and uses, like the steamboat, the railroad locomotive, the magnetic telegraph and the caloric engine, were not to be heard of, until we should have beaten our spears into pruning hooks and learned war no more.

"Onerous as this direct tax may seem to us to have been, and as our fathers felt it to be, the imposition was light, in comparison with the indirect tax levied in the guise of paper currency and bills of credit. It is a fact which would be incredible if it were not of record, that the public debt created between January 1775, and January 1781, amounted to $76 375,000; a sum which a shrewd statesman, in the debates upon the Federal Constitution, estimated to be treble the value of all the property, real and personal, owned by all the citizens of the State. The paper currency was nevertheless a lawful tender in the payment of debts; it was an indictable offence to refuse to receive it as such; it was declared unpatriotic to speak of it in disparaging terms, and it was death to counterfeit it.

"The laws of trade, however, founded on the laws of nature, are not to be controlled by human enactments. On the first of January 1777, the paper currency was at par; in 1778, at the rate of 3 for 1; in 1779, 6 for 1; in 1780, 32 for 1; in 1781, 210 for 1; and on the first of January 1782, it settled down to 800 for 1, at which rate it was redeemed. At this rate the whole amount that was issued, was little more in value than 95,000 specie dollars. It had purchased all the supplies for our armies, nevertheless, and paid all the wages received by our officers and soldiers during the seven years' war for independence."

Since the above was in type, another interesting communication has been received, which we are reluctantly obliged to defer (along with various other communications,) in consequence of the pre-occupation of our columns.

THE NEWS OF THE WEEK is far less important than was expected. The chief incidents are the capture of two yankee gunboats, one on Red river and the other on the Arkansas. These are new evidences that we have far less to fear from the yankee navy than was formerly supposed.

The attack on Charleston seems to hang fire. If we may believe Northern accounts the delay is owing to a disagreement between Foster and Hunter as to which is entitled to command. Others say that Butler was to be sent there to supersede both. And this would not be surprising if it be true that Foster has gone to Washton to urge his claims before Lincoln. That vacillating functionary will be very apt to get rid of the quarrel by sending some other General, and by sending Butler he may rid himself of his demand to be made Secretary of War. The New York World complains that all the time spent in North Carolina, to deceive the Confederates as to the point to be attacked, has been lost by the present delay, which it says may continue for a month longer. It add:—

"The original object was to make the rebels believe a march inland and an attack on Wilmington was designed, and then to suddenly sail for Charleston and attack it without delay. But the old story was repeated. The War Department sent Major Gen. Foster with troops to Maj. Gen. Hunter's department without designating who should command the operations. Gen. Foster declared he was the man, but Gen. Hunter was quite sure he was the commanding general. So the troops which were to have remained on board the transports until disembarked for a direct attack on Charleston have been landed at St. Helena Island, while Gen. Foster comes home in the Arago to get things fixed at Washington. So golden weeks have been lost; the rebels have been given abundant time to prepare for attack, and another evidence is afforded of the singular want of forecast and administrative ability of the War Department."

There is a feeling of calm confidence among our authorities and Generals that is probably justified by what we hear of the preparations made for the defence of Charleston. We think it cannot be taken. And it is quite possible that it is such a belief among the yankees that delays the attack. If so, it may result in their attacking some weaker point.

THE PRINCE OF LIARS.—We had not time on Thursday morning to expose the outrageous falsehoods which Mr. Seward wrote to the French Minister as to the portion of the Southern States occupied by the yankees. And while doing so for to day's Observer the Richmond Dispatch came to hand with the work better done to our hands. See the article in the preceding page.

What could tempt a man thus to write falsehoods which are manifestly falsehoods, and which the French Minister and Emperor are as well aware are falsehoods as Seward himself is, is beyond explanation, except upon the supposition that Seward was drunk when he wrote it; and Lincoln also must have been drunk or he would not have allowed such a letter to be sent. The remark has, however, been attributed to Lincoln, that "Seward was the only man he ever saw who could tell him a lie which he knew to be a lie, and which Seward knew to be a lie, and yet which he could not help believing." The French Minister and Emperor are not likely to be so easy of belief.

The New York Herald says that Seward is the only man in Lincoln's Cabinet who is "equal to his position and the exigencies of the day." That depends, of course, on what the position and exigencies require. The opposite of truth, if Seward is the man.

THE RICHMOND ENQUIRER.—In another place we have spoken of Seward as "the prince of liars." We rather think that the Richmond Enquirer will successfully contest the unenviable distinction with the yankee. See the following:

"The Old North State, whilst its true sons and soldiers are fronting the enemy upon our border, is swarming with deserters and runaway conscripts (all "conservatives," who hate "original secession") and at several points these gentry, in bold assertion of the sovereignty of their State—not against the Yankees, but against the Confederates—have banded themselves together and defy the authorities."

It is false that North Carolina is "swarming with deserters and runaway conscripts." There are some such, as there are in every State, but there is no reason to believe that they are more numerous here than elsewhere. We have seen lists of hundreds—yes hundreds—of deserters advertised from one Virginia regiment. The Enquirer had never a word about that, though nothing approaching it has ever been seen about a North Carolina regiment. That these North Carolina deserters and runaway conscripts are "all conservatives, who hate original secession," is a foul slander, so apparent that a man having any self-respect would not have ventured to utter it. As to their banding together and defying the authorities, it is true, but not to any such extent as in Georgia, about which the Enquirer is altogether silent. Far less is it true here than in Virginia itself, where about one-fourth of the State is banded together, not only defying the authorities, but actually in Lincoln's army assisting in his effort to subjugate us. Let the Enquirer look at home. North Carolina can do without its malignant oversight.

In the same article in the Enquirer we find the following additional slanders:

"One can only speculate upon the motives of these destructive conservatives, for they do not avow them. But the thing seems to us nothing more, nor less, than a conspiracy to overthrow the Confederacy, whether with a view to reconstruction, or to a "middle Confederacy," perhaps they hardly know yet. If we gain victories and expel the Yankees, then all will be well; the "conservatives" will exult as loudly as any. But if disaster befals our armies, they mean to be in a position to take care of themselves."

This is uttered by a paper which itself recently had the effrontery to advance reconstruction views. It probably judges North Carolinians by its own unprincipled standard.

PLANT CORN AND PEAS AND POTATOES.—The Richmond Whig, which has heretofore strenuously opposed all legislation to regulate such things, now avows itself in favor of that or any other mode of preventing the planting of tobacco, (and we may add cotton also.) Its change of opinion is caused by information derived from a gentleman engaged in purveying for the army, as to the amount of grain necessary to support the army, from which the Whig is convinced that that quantity cannot be produced in the area free from the inroads of the enemy, unless by devoting all its capacities to that end.

This is the true policy of every patriot, with or without legislation. Cultivate every thing that will serve for food; *and nothing else.* It is likely also to be the most profitable as well as the most patriotic course.

ALLEGED EMBEZZLEMENT.—We are requested to publish a communication from a person whom we never saw, alleging that an officer, whom the writer names, has embezzled the funds of the regiment to which he formerly belonged. The writer must think us very reckless, if he supposes that we would upon such information charge any one, high or low, with such a crime, and subject ourselves to indictment for libel. We must be excused.

CONGRESS.—The amendments proposed to the exemption Bill indicate radical changes, but they are too undecided to be reported understandingly as yet.

The bill providing for the further issue of bonds has passed both Houses. It provides for the issue of 8 per cent. bonds for all Treasury notes fundable in such bonds and to pay subscriptions to the produce loan. Also, 7 per cent. bonds for all Treasury notes fundable in 7 per cent. bonds; all redeemable after five years if the gov't choose, but positively at the end of thirty years. The material feature of the act is that after the 100 millions of bonds are disposed of, which run 30 years, all the others will be redeemable in five years, at the pleasure of the gov't.

On Thursday, the Senate passed the House resolutions of thanks to Gen. Magruder and his officers and men for the Galveston achievement. The Exemption bill was further considered. In the House the currency question was considered in secret session.

On Friday, nothing of importance occurred in open session.

WORK FOR THE RICHMOND ENQUIRER.—We would respectfully propose to the Enquirer and its satellites in this State who are continually harping upon what they call a "conspiracy" and a "plot" in North Carolina to destroy the unity of the Government, to turn their attention for a moment to Georgia. In copying from the Savannah Republican (one of the most respectable and influential papers in that State) the following paragraph, we cannot help expressing the conviction that the Enquirer's neglect of Georgia is solely owing to the fact that Gov. Brown and those who support him in Georgia belong to the Enquirer's political party, and that those in North Carolina whom it slanders do *not* belong to the Enquirer's party.

From the Savannah Republican.

"We do not charge Governor Brown with heading a rebellion or the *intention* of getting one up. We are not keepers of his conscience. We hope he is a patriot—he has every reason to be one. We do mean to say, though, that his course towards the Confederate administration in this war, his denunciations of Congress, his Proclamations of the recruiting Acts of that body as outrages upon the rights of the States and the citizen, as unconstitutional and deserving of resistance; his repeated attempts to poison the minds of the people towards their government by exhibiting it as their enemy and not their friend—all tended towards rebellion and towards nothing else. Had it not been for the loyalty and good sense of the people, we should before this have been plunged into a war with the government. The special message at the opening of the Legislature was in it effects, at least, nothing more nor less than open exhortation to rebellion. An intelligent officer of the army, who was present when it was read in the House, remarked in our hearing that if such an incendiary document were circulated freely in the army, a thousand men would be shot within sixty days. We honestly believe that the course of the Governor, whether so intended or not, has done more to breed disloyalty and desertion than all other causes combined.

"We also know that many of these people who have acted so badly confidently looked to Gov. Brown for protection in their course. The deserters from the army in Tennessee, we have good authority for saying, openly proclaimed it, and we have reason to believe that it was at the earnest solicitation of officers from this State that Governor Brown was induced to issue his proclamation against the disaffected, and thereby arrest, if possible, the pernicious effects of his course."

WHAT WE MAY EXPECT.—If the people of the South should allow themselves to be subjugated—a totally inadmissible idea—they may see what they have to expect in the proceedings of the yankees at Hilton Head, South Carolina.

The New South, a yankee paper published there, contains an advertisement of six columns of land sales "for unpaid direct taxes in insurrectionary districts," which states that the lands there offered have been forfeited to the United States. Several hundred tracts of land on St. Helena Island, Lady's Island and Port Royal Island are enumerated.

A NOBLE ASSOCIATION.—It has been proposed in Orange county to form an Association of such persons as would agree to let the families of soldiers and of the poor have the necessaries of life at moderate rates—say corn at $1 a bushel, wheat at $2, pork at $10 a hundred, bacon at 20 cents a pound, beef at 5 cents. In one neighborhood, "Oaks," twelve gentlemen have united in the generous measure, being all who have been consulted, so far, among those who have any surplus. The following are their names, as given by the Hillsboro' Recorder:—

Allen Patterson,	William Jones,
Jane Pickard,	John Moore,
James Phillips,	Thomas D. Oldham,
John Morrow,	William Thompson,
Robert B. Pickard,	Frank Minor,
H. M. C. Strowd,	William J. Bingham.

DEATHS OF SOLDIERS.—In Hospital at Petersburg, F. A. Blanton, of the 28th Reg't.

Near Fredericksburg, 2d inst., in the 20th year of his age, of wounds received at the great battle of the 13th of December last, Orderly Sergeant John W. Norwood, son of James H. Norwood, deceased.

In Howard Grove Hospital, Richmond, 7th Dec., of small pox, Mason Tarpley, aged about 32, a member of Capt Albright's company, 57th Regiment.

In Hospital at Wilmington, 20th Jan'y, of typhoid pneumonia, Aaron M. Davis, and on the 6th inst. Hardy Davis, of Co. H, 31st Reg't.

Capt. Wilson D. Moore died in camp near Goldsboro', on the 5th inst., from the effects of vaccination, after a confinement of 19 days. He was of Co. E, 4th Reg't, from Rockingham county.

FOR THE OBSERVER.

The following is a list of the deaths which have occurred in Capt. J. O. A. Kelly's Company (F, 50th Reg't N. C. T.,) since July 20th, 1862. (They were all privates:)

Wm Pipkin died	in Hospital	Petersburg,	July 24, 1862.
Thos C Cox	" "	"	Aug 6, "
Jno L Lashly	" " "	"	Aug 9, "
A J McNeill	" " "	"	Aug 10, "
Hugh McLean	" " "	"	Sept 8, "
C E Stewart	in Camp near	Goldsboro',	Feb'y 3, 1863.
Louis Heron	died near	Mosely Hall,	Feb'y 6, 1863.

B W. H.

FOR THE OBSERVER.

The Young Ladies' Knitting Society will meet next Thursday at the residence of Mr. Jno. H. Cook.

Railroad Accident.—MOBILE, Feb. 20.—The Register has a dispatch, dated Jackson, Feb. 20th, which says that as the out freight train from Meredian came to Chuncky Bridge last night, it gave way, precipitating the engine and four cars into the river. A large number of passengers were on the train, and from 50 to 100 are reported as drowned. The bridge cannot be repaired until the water falls.

MARRIED,

At Ashwood, Bladen Co., on the 17th inst., by Rev'd Neill McDonald, Mr HAMILTON McMILLAN, of Cumberland county, to LIZZIE G, daughter of John A Robeson, Esq., of Bladen county.

DIED,

In Greensboro', Ala., on Sunday the 8th inst., after a brief illness of pneumonia, Col. ISAAC CROOM, aged 69 years. Col. Croom was a native of Lenoir county, N. C. In early life, after graduating at the University, he studied and practiced Law for a short period, and was a member of our State Legislature His taste for agricultural pursuits soon led him to abandon the legal profession, and first in this State and then in Alabama he became conspicuous for his liberal and successful career as a planter, devoting his time and his talents not alone to his own plantations but to the enlightenment of others by his writings and addresses, and his influence as President of the State Agricultural Society of Alabama. He was a gentleman of genial temper as well as of learning, ability and industry, and what is more than all, a sincere Christian. He had for many years been a communicant of the Episcopal Church, and was a subscriber to the liberal amount of $25,000 to the Southern University of that Church. His wife (a sister of Chief Justice Pearson) survives him.

In Sampson county, at his father's, JOHN R. STRICKLAND, a private in the 20th N. C. Reg't. He volunteered in the commencement of the war and was in the fight before Richmond and on to Maryland, where he was taken sick with chronic diarrhœa and pneumonia from the effects of which he could not recover. He was a worthy young man, 24 years old, and was liked by all who knew him. He leaves a father and mother, brothers and sisters, to mourn his loss.—Com.

LATEST WAR NEWS.

Extract from a letter from Arkansas, dated Jan'y 25th:—

"Gen. Marmaduke is in command of —— thousand cavalry. Four weeks ago he started into Missouri with his command. He marched to Springfield, put the whole yankee army to flight, captured the place after a short resistance, took 600 prisoners, 100 wagons, any number of mules, and destroyed a large quantity of commissary and Quartermaster stores. He went from there to Rolla, (the terminus of the Railroad by which the Federal army in South-west Missouri is fed,) took a large amount of supplies there, destroyed the Railroad Depot and brought off a few hundred stand of small arms. His raid was a complete success."

From the Coast.—CHARLESTON, Feb. 21.—Positive information states that there were ten large steamers, four frigates and seventy-one transports at Hilton Head on Friday.—*Courier.*

RICHMOND, Feb'y 21.—Information, deemed authentic, has been received in official circles, that the greater part of Hooker's army are now at Fortress Monroe, Newport News and Suffolk. They are much demoralized, and it is believed were moved from the Rappahannock because of the numerous desertions that were daily occurring, and which threatened to break up the organization of the army.—*Examiner.*

CHARLESTON, Feb'y 23.—The steam gunboat Mercedita, we are reliably informed, is not at Port Royal, and the Yankees there say she has gone to New York. The Wabash and a few other vessels are all of the Abolition armada that was in sight there. It is thought that they have departed for some point near Savannah. *Courier.*

RICHMOND, Feb'y 21.—There are rumors of an advance of the Yankee army upon Middle Tennessee. Cannonading was heard Wednesday in the front. There were also artillery reports from the direction of Beach Grove where Gen. Buford, with his brigade of Kentucky cavalry, is stationed, to ward off the blows that might descend in that direction.—*Enquirer.*

Another Scourge Afloat.—The Houston (Texas) Telegraph says: The "606," or Retribution, is a new Confederate steamer at large and on duty, Capt. Vernon G. Locke, commanding.

Steamer Nashville Gone to Sea.—We are informed by the Augusta papers that the steamer Rattlesnake, Capt. T. H. Baker, (late Nashville), has gone to sea from near Savannah.

The Harriet Lane.—When this vessel was captured at Galveston, the Yankee papers comforted themselves over the disaster, by boasting of the unparalleled valor displayed by the crew. It was said, they fought with desperation, and redeemed the glory of the flag, by surrendering only when all but a dozen were killed. But Admiral Farragut has been looking into the facts, and ascertains that only five were killed and six wounded. He thereupon reports to Old Welles:

"It is difficult to conceive a more pusillanimous surrender of a vessel to an enemy already in our power, than occurred in the case of the Harriet Lane."

Sic transit gloria Yankeedoodledom!—*Rich. Enquirer.*

Rosecrans' Army.—The Winchester (Tenn.) Bulletin has reliable information by a gentleman direct from Louisville, that Rosecrans' troops are deserting by hundreds.

FROM THE NORTH.

The New York Herald of the 16th learns by intelligence from Roanoke Island that the Rebels are contemplating a raid upon the troops of Captain Porter at that point. It appears that the rebels have 125 small boats secreted in the bayous and creeks of Tyrrell and Hyde counties, by means of which they intend to take their troops, 800 in number, across the river, and make a dash upon the government property on the island. Capt Porter has notified Gen. Foster of the danger, and unless reinforcements are sent to him the garrison may be captured. A steamer is kept constantly cruising between the island and the main shore to prevent surprise.

The Herald says that Richmond, Charleston and Vicksburg are now the three great bulwarks of the rebellion. If the government can succeed in capturing these three cities, and can defeat and put to rout the rebel armies collected to defend them, the war will be virtually ended, and the rebellion will soon die a natural death. Every day's delay, however, makes this achievement the more difficult. The rebels are active, enterprising and energetic, while the Union Generals move very slowly. The road to Richmond has been proven a very hard road to travel. Vicksburg has been fortified until it appears as impregnable as Gibraltar. At Charlesion the iron-clad gunboats will be forced to encounter iron-clad forts and batteries. The Herald thinks the prospect not very encouraging but not altogether hopeless.

The Illinois' Legislature.—RICHMOND, Feb. 20.—A resolution was recently introduced in the Illinois Legislature for a recess until June, the objects being to give the Peace Convention time to take action and report to the Legislature. After the resolution passed the Senate, the Republicans held a caucus and agreed that there should be no more legislation unless the Democrats withdraw the resolution calling a Convention at Louisville, and pledge themselves not again to present them. The Republican Senators have left Springfield, and will not return until the pledge is given, so that the Legislature is virtually dissolved.

The N. Y. Express, speaking of the Legislative Peace Conference in the West, says: "The Legislature of Kentucky has already appointed committees to consult, and Indiana and New Jersey will doubtless follow, through their organized governments, with Pennsylvania, Ohio and New York, it is to be hoped, through their organized authorities in some form."

The Louisville Journal says that the Rebel sympathizers in Louisville are holding meetings preparatory to their State Convention at Frankfort on the 18th inst. Similar meetings have been held in the adjoining counties.

Immense preparations were being made at Indianapolis for a Republican meeting on the 26th inst.

A letter from Murfreesboro', received at New York, says the reason Rosecrans' army does not advance is, that it is mud-bound; that the army is in excellent condition, but diminished by desertion.

Prisoners say that the federals have been repulsed in every demonstration against Port Hudson.

Rumors are rife of new difficulties between the British and Washington governments, owing to the seizure of English vessels near the Bahama coast.

The credit of the South better in Europe than that of the North.—The London (January 29th) correspondent of the Manchester Guardian says,—

While the enormous new issues of paper money by the Federal government announced by the last mail are the subject of very unfavorable comment, and while the credit of the North in the London money market is down to zero, it is stated positively that there is no difficulty found in the negotiation of Southern cotton warrants. I believe these cotton warrants, which derive all their value from the assumption of the certainty of recognition at no very distant period, are being very largely used at this moment, both in the London and provincial markets, in the purchase of ships and stores by the Confederate government. The three million and a quarter bales of cotton still in store in the South seems to be a perfectly safe security, and the idea of "repudiation" does not seem to suggest itself to those who thus constitute themselves creditors of the South. On the other hand, it is difficult to find any one who believes that the Federal government can be trusted not to repudiate even its debt to its own countrymen.

NOTICE.

THE Copartnership lately existing under the style of S. J. HINSDALE & CO., expired by limitation on 1st Jan'y, 1863. Mr. Hinsdale will attend to closing up the business, during the absence of Lieut. Horne.

Persons indebted to the firm will please call and settle by Cash or Bond, without delay.

SAML. J. HINSDALE.
HENRY R. HORNE.

The business will be continued by
S. J. HINSDALE.

Feb'y 21. 5-3t

A small sum of money was found in the street, which the owner can have by describing the bills.

D. McLAURIN.

Feb'y 21, 1863 1t

Cotton Yarns and Sheetings

WILL be given in exchange for CORN and PEAS at the *Beaver Creek Factory;* and will, if desired by the purchasers, sell for *CASH* One-Half as much more yarns and sheetings as the corn and peas amount to.

J. H. HALL, Ag't.

Feb'y 18. 5*6t

IRISH POTATOES.

A LARGE lot No. 1 PLANTING POTATOES, for sale by T. J. JOHNSON.

Feb'y 23, 1863. 5-2tpd

HARNETT COUNTY.

THE JUSTICES of Harnett are hereby notified to attend at the Court House, on Monday the 2d day of March, for the appointment of Assessors and Tax Listers as required by the Act of Assembly.

R. C. BELDEN, Chm'n.

Feb'y 21, 1863. 1tpd

MR. SEWARD'S ATTEMPT TO DECEIVE FRANCE.

Mr. Seward plainly holds to the creed that "a lie well told and stuck to is as good as the truth." In his dispatch of 6th February to Mr. Dayton, which is directed to be laid before the French Government, he says the Confederate States "retain only the States of Georgia, Alabama, and Texas, with half of Virginia, half of North Carolina, two-thirds of South Carolina, half of Mississippi, and one-third respectively of Arkansas and Louisiana." The remainder of the Confederacy, he claims, has been re-established under the flag of the Union."

Such is the statement of facts presented to Mr. Drouyn de L'Huys! It is hardly less insulting to his intelligence than the answer given to his recommendation for a conference between the belligerents—that a mode already exists for such conference, by our acknowledging the authority of the Yankee Government, and sending Senators and Representatives to Washington.

Of Virginia Mr. Seward claims half. The French Secretary finds from his reports that while the Yankees held the Northwest and the Kanawha Valley, the extreme north of the Valley to Winchester, and a few of the more northern and eastern counties, the Confederacy holds the capital firmly, nearly the whole of the railroads, and in fact about two-thirds of the State.

Of North Carolina, also, Mr. Seward claims *half* as subjugated. Three-fourths of this State lies west of the Weldon and Wilmington Railroad, as a glance at the map will show. From the beginning of the war until now not a single Yankee hireling has put his foot prints west of that railroad. Except for a period of ten days that road has been constantly employed, and cars run through, carrying our troops and munitions of war, and it is now daily used for that purpose. East of this road the Yankees hold, by a liberal estimate, one half of the remaining fourth of the State, and even there the people continue faithful and steadfast in devotion to the Southern Confederacy. Mr. Seward's falsehood concerning North Carolina eclipses the one upon Virginia.

In South Carolina, Mr. Seward claims one-third as in Yankee occupancy. What must be the disgust of the Emperor and his Minister to find that at no time have the enemy held any part of that State West or North of the Charleston and Savannah Railroad, and that the road referred to has been regularly and daily used by the Confederate Government? A simple inspection of the map will show that this road does not cut off one-twentieth part of the State, and yet it embraces all and more of South Carolina soil than the Yankees have ever held even for a moment.

Georgia, Mr. Seward does not claim; nor Alabama. Texas, too, he magnanimously admits is ours. But of Mississippi he claims one-half! Sometime ago the Yankee army of invasion advanced to a point somewhat South of the Tallahatchie river, while our line of defence was the Yallabusha. The enemy held most of the country North and West of the Tallahatchie, which comprised, perhaps, a fifth part of Mississippi. Since then their lines have been much withdrawn and it would be too much to say that they hold now a sixth part of that State. This is sufficient, however, for Mr. Seward's purposes of fabrication. "Give the devil an inch and he will take an ell."

Of Louisiana, according to Mr. Seward, the enemy hold two-thirds. In fact, they hold only the banks of the Mississippi up to Port Hudson and the extreme Southeastern part of the State; at the outside, hardly a tenth part of Louisiana.

Of Arkansas, Mr. Seward claims two-thirds. Not less than four-fifths are and have been always in undisturbed occupancy of the Confederacy. Tennessee and Florida are claimed bodily by Mr. Seward. Of the latter, not a twentieth part is in Yankee occupancy. As to Tennessee, our Government holds East Tennessee firmly; our army, under Gen. Johnston; is encamped in the very heart of Middle Tennessee, at Tallahoma, confronting the enemy, who does not dare to advance; and our cavalry, under Van Dorn, Forrest, Wheeler, and Morgan, roam almost at will over West Tennessee, Middle Tennessee and Central Kentucky, burning bridges, capturing posts, cutting off detachments, and destroying the stores and munitions of the enemy. All these facts were well known to Mr. Seward when he penned the falsehoods we have exposed. What could have been his aim? It could hardly have been the hope of successfully deceiving the Emperor and M. Drouyn de L'Huys, for they are men accustomed to look beneath the surface, and to act on more reliable information than what is supplied by the dispatches of the Yankee Premier. No, it is John Barleycorn who must answer for these preversions of well known truths. Seward has for some time past taken to drink. Animated with the courage thus inspired, he has thought it a fine thing to insult the French Emperor with statements of fact which he must know to be false, and by deliberately informing him, in response to a grave proposition, that the Southern States can "confer" with the North by grounding their arms, submitting to the Union, and by sending representatives to the Yankee Congress. A respectful answer, truly, to a humane offer of mediation between two belligerents whose strife has brought so much suffering to the civilized world.

Rich'd Dispatch.

FAYETTEVILLE MARKET.—Feb. 23.

REVIEW OF THE MARKET.

Bacon—Old 60 to 65, new 55 to 60. Lard 40.
Beef 20 to 25 by the side; 15 to 25 at retail.
Butter 75 to $1.
Beeswax 60.
Chickens 35 to 50.
Copperas 1 25 to 1 50 at retail.
Cotton 18 to 20 cts.
Cotton Yarn $3 to $4 per bunch.
Dried Fruit—Apples 12½, peaches 15 to 20.
Eggs 40 to 50 per dozen.
Flour—Family $45 to $46, super $44 to $45.
Forage—Fodder $3 per hundred; Hay $2; Shucks $2.
Flaxseed 3 50 per bu.
Green Apples $5 to $6 per bushel.
Grain—Corn 3 60 to 3 70. Wheat $6 to $8. Rye $5. Oats 2 25. Peas 3 50.
Hides—Green 50, dry $1.
Iron—Swedes 50.
Leather—Sole $3 per lb., Upper 3 50.
Liquors—Corn Whiskey $20 per gallon; Apple Brandy $20; Peach Brandy $20.
Molasses—N O $6 per gallon.
Nails—$1 per lb. at retail.
Pork 40.
Onions $6 to $7 per bushel.
Potatoes—Irish $6 to 6 50 per bu.
Rice, 15 to 16 by the cask.
Sugar retailing at 75 to $1.
Salt—Sound 15 to 20 cents per lb.
Fayetteville Sheetings, 36 to 60 cts. Osnaburgs 40 to 60 cts.
Spirits Turpentine 40 to 50 cts. per gallon.
Tallow 60 Wool 1 75 to 2 00.

Corrected by PEMBERTON & SLOAN.

WILMINGTON MARKET, Feb. 20.

The market continues to be poorly supplied with provisions, and prices rule very high and have an advancing tendency.

Beef cattle 25 to 28. Bacon, new 65 to 75. Butter $1 to $1 25. Corn $3 to 3 25. Flour, super $45 to $46. Lard 55 to 60. Molasses $6 to $8. Sweet Potatoes $3 50 to $4. Pork fresh 40. Pea Nuts $7 to 7 50. Salt $5 to $6. Sugar 70 to 80 by hhd. Fayetteville Factory sheetings 65 to 70. Tallow 65 to 70. Wood $8 to $12. Yarn 6 50 to $7.

Camp 14th N. C. Troops,

Feb. 17th, 1863.

SICK and Wounded members of Co. H, bear in mind that none save regular Army Surgeons have a right to extend furloughs.

By order. J. R. DEBERRY,

[5-2w] Capt. Co. H, 14th N. C. Troops.

Furniture at Auction.

WILL be sold this day at 3 o'clock, P. M., in front of my store,

BEDS,
MATTRESSES,
CHAIRS, TABLES, and a variety of other articles.

A. M. CAMPBELL, Auct'r.

Feb'y 23. 1t

TRUST SALE.

WILL be sold at the Market House on Monday March 2, 1863, at 12 o'clock, M., the DWELLING HOUSE of the late Wm. H. Massey; the House is situated on the Southern Plank Road 1 mile from the Market House.

For the Trustees. A. M. CAMPBELL, Auct'r.

Feb'y 23. 5-ts

Groceries and Furniture at Auction.

TO-MORROW I shall sell at Auction

8 Bls Sugar,
Coffee,
Green and Black Tea,
Pepper, Spice and Cinnamon,
Crockery and Glass Ware,
50 bus. Salt,
Furniture, consisting of Sofas, Chairs, &c.

JOHN H. COOK, Auctioneer.

Feb'y 23, 1863. 5-1t

WANTED,

A YOUNG LADY who is fully competent to teach Music and the English Branches, to take charge of a small school near Fayetteville. Good references required. Address the subscriber at Fayetteville.

THOMAS McDANIEL.

Feb'y 21, 1863. 5*3t

To the Magistrates of Cumberland C'ty.

A MEETING of the Magistrates of the County of Cumberland is required on TUESDAY the 3d MARCH, 1863, at 11 A. M., for the transaction of public business.

DAVID McNEILL, Chairman.

Feb 23, 1863. 5-2t

Presbyterian copy. Charge County.

NOTICE.

I WILL be at Jonesboro' and McIver's Depot on Friday the 27th inst., for the purpose of buying Artillery Horses and Good Heavy Mules for the Government. All who have any such will do well to call on me and bring up their stock at the above named places. Also wish to purchase a few bbls. of GOOD LARD.

P. P. JOHNSON.

Feb'y 23, 1863. 1tpd

MONEY FOUND.

A SMALL AMOUNT was found in our Store a few days ago. The owner can get it on application

E. J. HALE & SONS.

Feb. 19, 1863

FOR THE OBSERVER.

Messrs. Editors: You will confer a favor by inserting the following in answer to Mr. A. D. McIver's letter in last Thursday's issue of the Observer: This gentleman, accompanied by one of his neighbors, came out to Rockfish some time ago for the purpose of buying sheetings. He wan

REPORT

Of the Joint Select Committe appointed under a joint resolution to enquire into the causes why soldiers were paid in Confederate Treasury Notes instead of North Carolina Treasury Notes.

The Joint Select Committee appointed to enquire into "the causes of the payment of Soldiers' Claims by disbursing officers and agents of this State in Confederate Treasury Notes instead of North Carolina Treasury Notes, which were authorized to be issued by the State Convention for the payment of such claims," beg leave to submit the following facts:

That by several Ordinances of the Convention the Public Treasurer was authorized to issue Treasury notes to the amount of about six millions of dollars for the purpose of paying drafts on the public Treasury; that by the Ordinance of December 1st 1861, the Public Treasurer was authorized to issue Treasury notes fundable in six per cent Bonds. A part of these notes were issued, but from the fact that the Bank of North Carolina and its Branches refused to take these notes as currency, these notes became uncurrent, and to remedy this evil, the Convention passed Ordinance No. 35 of the date of February 26th 1862, which Ordinance ordained that all Treasury Notes of certain denominations that had been issued, and all to be issued, should be fundable in eight per cent Bonds, or six per cent Certificates, convertible at the pleasure of the holder in eight per cent bonds. The Committee find, that immediately after the passage of this Ordinance, North Carolina Treasury Notes commanded a premium, as they were convertible into eight per cent Bonds. This will appear from the report of the Public Treasurer to the House of Commons dated 8th December 1862, in which report the Treasurer shows that, "Although Confederate Notes were nothing like so plentiful then as now," that he refused the bids from the Banks of the State, in response to his circular asking the Banks to reserve for him the Confederate notes (for the payment of the Confederate tax,) from the fact that he ascertained that North Carolina eight per cent Bonds commanded a premium in Richmond. And it will appear from said report that through Messrs. Lancaster & Sons, Brokers of Richmond, the Treasurer sold about $1,400,000 of eight per cent Bonds, which said sale commenced on the 14th of March 1862, and ended on the 17th of May 1862, the premium of the Bonds ranging from 1½ per cent to 6 per cent, on which sales the Treasurer realized for the State near $40,000. The committee find that the Treasurer, for the purpose of meeting the demands on the Treasury, failed to issue the Treasury Notes provided for in the various Ordinances of the Convention, but as will appear from the evidence filed with this report, sold a large amount of eight per cent Bonds *privately* at *par*, the sales commencing on March 16th 1862, when the Bonds of the same denominations were selling in Richmond, by *authority* of the *Treasurer*, for 1½ per cent premium, and ending in September 1862, when the Bonds were worth a premium of 10 to 12 per cent, as will appear from the statement of Lancaster & Co., filed with this report.

The Committee find that Jno. G. Williams & Co., Brokers, in Raleigh, and Messrs. Branch & Sons, Brokers, of Petersburg, Va., as will appear from the statement filed, purchased from the Treasurer, with Confederate Notes, at par, eight per cent bonds to the amount of $797,948, worth a premium in Richmond, according to date of issue, of $43,202 84, and as Jno. G. Williams, in his testimony, admits he purchased about one million and a quarter, and as bonds in his name are only issued for some half million, he must have purchased in the names of other parties to the amount of half million or more, showing a loss to the State of seventy odd thousand dollars in the transactions of the Treasury and other disbursing agent with one firm in the city of Raleigh. The Committee, from the want of time and the difficulty in procuring evidence, have been unable to make out a statement as to the loss of the State in various other large transactions with Brokers and individuals, but by reference to the Treasurer's Report, of the 8th December 1862, it will be seen that James E. Hoyt, Jno. W. Cunningham and others, were very large dealers; it will also be seen that, of the amount of eight per cent. stocks issued, a very large amount went into the hands of Brokers, and a very small amount into the hands of persons having *bona fide* claims against the State.

Upon examining the Ordinance of the Convention, No. 35, the Committee is of the opinion that it was the intention of the Convention to make the Treasury Notes a currency, and that the authority to fund said notes in eight per cent. bonds, was for the purpose of giving the notes credit as a circulating medium; and had these notes been paid out as contemplated, to the soldiers or public creditors, they would have been diffused over the country as a circulation, and would have returned slowly for bonds, and so long as these notes circulated, the State would have saved eight per cent. interest, and the soldiers would have received their State bounty, and other meritorious creditors would have received their dues in an appreciated and not, as they did, in a depreciated currency. Instead, however, of pursuing the obvious intentions of the Ordinance, the Treasurer seems to have put the construction on the Ordinance, that, as he could not procure the notes on account of the fall of New Orleans, he had the right to sell the bonds to replenish the Treasury; for it is shown by his Report that he sold a large amount of bonds to pay the Confederate tax; and it is shown by the testimony of the Treasurer himself, and the testimony of others, that he gave in *exchange* at par for Confederate money a large amount of eight per cent. bonds, at the same time he was selling bonds of the *same value* in *Richmond* at a *handsome premium*. It is the opinion of the Committee that the Ordinance of the Convention did not authorize the sale of the eight per cent. bonds, neither did the Ordinance authorize a loan at any interest; neither did the Ordinance authorize the issuing eight per cent. bonds for any purpose, except in redemption of Treasury Notes. In the opinion of the Committee the exchange of eight per cent. bonds at par for anything except treasury Notes, was in reality a sale of the bonds, and that such sales were not authorized by law, and were injurious to the public, because interest accrued immediately at the rate of eight per cent. against the State; which would not have been the case had the Treasurer issued the Treasury Notes. The Treasurer, however, exercised the power of sale, and if, according to this interpretation of the Ordinance, he had a right to sell, no good reasen is seen why he should not sell at the current premium. By the statement of Lancaster & Co., of Richmond, hereunto appended, the current premium at which these bonds were selling in the principal stock market of each month, from March to December, is stated, by which statement it will be seen that if the Treasurer had sold these bonds at the current premium, instead of at par, as he did sell, he would have saved the State the sum of *three hundred and twenty-two thousand two hundred and seven dollars*.

From the evidence of Major A. M. Lewis, paymaster, it will be seen that the Treasury Notes that came into his hands were not circulated as intended among the soldiers, but found their way immediately into the hands of Brokers and speculators, and the State was immediately subjected to eight per cent interest by the funding of these notes; the notes were returned to Major A. M. Lewis, and by him returned to the Brokers, and by them again funded, and the State again immediately subjected to eight per cent. interest, and the soldiers paid in Confederate Treasury Notes, instead of North Carolina Treasury Notes, as provided for in the various ordinances of the Convention.

Respectfully submitted,

R. Y. McAden, Chm'n
C. B. Sanders,
E. J. Warren,
J. B. Carpenter,
Dan'l L. Russell,
L. Henderson.

MINORITY REPORT.

The undersigned not concurring in some of the facts stated, nor in the conclusions arrived at by a majority of the committee as presented in their report, submits the following minitory report:

The time allowed him to make this report is too short to permit him to recite fully the provisions of the several ordinances of the Convention, for issuing treasury notes, &c. But this can hardly be necessary as the provisions are fully set forth in the opinions of legal gentleman filed with and made part of the majority report. As to the sale of bonds to pay the Confederate tax in the City of Richmond by Lancaster & Son, the undersigned does not understand that any complaint is made from any quarter; nor does he believe that any other arrangement could have been made by Mr. Courts for [illegible] tax.

He will barely add that the provisions of the ordinance for that purpose, which gave the Treasurer power to use the Treasury Notes "in such manner as may be necessary to the payment of said Confederate tax," fully authorised him to make the arrangement which he did make with Lancaster & Son, and which is fully set forth and explained in his response to the resolution of this House.

By the three other ordinances referred to in the report of the majority, the Public Treasurer was authorized to issue an amount of Treasury Notes and Bonds, not exceeding in the aggregate six and one-half million of dollars. In an exhibit filed with the said report is set forth a list of bonds issued from some time in March, 1862, up to the 20th December last, which, by addition, appears to be $4,129,500. And this statement, the undersigned believes is intended to include, and does include, the whole amount of eight per Bonds issued during that time by Mr. Courts. This statement also shows at what rate or premium such Bonds was selling in the Richmond market in the several months of their issue, and a calculation, by which it appears that, had Mr. Courts sold the Bonds in that market, as issued, the sum of $322,207 would have been realised to the State by way of premiums on such sales. And then the statement assumes that am unt to have been lost by the State, for the reason that, the Bonds were sold in the City of Richmond at par. An examination of the testimony, filed with the report, will show that this statement is very far from correct.

Let it be remembered that the ordinance regulating the whole of the issues, was that of the 26th February 1862, entitled "an ordinance to provide for funding the treasury notes of this State and for other purposes;" and by which any holder of treasury notes had a right, at any time, to fund them and to demand Bonds for the same of the Treasurer. That a large amount was so funded appears from the evidence, and in fact it is made a charge in the report against Mr Lewis, the paymaster of our troops, that he exchanged a large amount of these fundable notes for Confederate notes, thereby enabling the holders to fund them in eight per cent. Bonds; and the undersigned is moreover informed and believes that large amounts in the hands of persons, otherwise obtained, were in like manner funded.

The undersigned, therefore, was greatly surprised at this statement, after he came to examine the testimony, and when he saw that no deduction was made on account of bonds issued for Treasury Notes, and as to which the Treasurer had no sort of discretion, but was bound by the Ordinance to fund them, come from what quarter they might. What amount of Bonds was thus funded the undersigned has not at this time the means of stating. He was alike surprised to find that the Report, after censuring the late Treasurer for not selling these Bonds in the markets and thereby incurring what is called a heavy loss to the State, (but should have been termed an available profit on the Bonds,) fully concedes the fact that in the opinion of the signers, sustained as it is by the opinions of gentlemen learned in the law, he had no power under the Ordinances to make such sales. How then can it be insisted with any justice and propriety, that a public officer is censurable for not doing what the law did not authorize him to do; or that the State had sustained a heavy loss by such dereliction of duty? Had it been insisted only, as it is in one part of the Report, that the Treasurer was only authorized to issue Bonds for Treasury Notes, and that the issuing of them for other currency was putting the State to the payment of some interest, which she would not, perhaps, have so soon incurred, owing to the fact that these Treasury Notes would have entered into general circulation, the undersigned could well have appreciated such a position and is ready to admit that, at first blush, it is not without plausibility. Certainly the offence of the Treasurer, if any, has no greater extent than this, and the loss, if any, to the State, was that loss of interest and no more.

But let us examine this matter, however, and see whether there was any reason for the course pursued. The report assumes that these Treasury Notes were mainly intended for a circulating medium, and that they were made fundable in order to give them greater credit, and thereby a greater circulation. In the opinion of the undersigned, this is a total mistake as to the intention and meaning of the Ordinance. The title of the Ordinance, as in every law, is the key to unlock its meaning. This Ordinance is entitled, "An Ordinance to fund the Treasury Notes of the State, and for other purposes." These other purposes, on examination of the Ordinance will fully show, do not conflict with the main and real purpose, as expressed in the title. Had the intention been as stated in the majority report, these notes would not have been made fundable at all, or if at all, at some distant day. This is further evidenced from the fact, that the small notes directed to be issued and used as *currency*, were not allowed to be *funded* at any time. Hence the difference. And the same remark applies also to the notes directed to be issued to raise money to pay the Confederate tax. They were to be used for no other purpose, nor allowed to pay any other debt; but were to be cancelled when returned to the Treasury. Nor is the view of the majority, that the notes would have remained in circulation, at all compatible with the fact, that soon after the commencement of the issue of 8 per cent. Bonds, they rose to a premium in the market. Such being the fact, every one at all conversant with such matters must know that these notes, by a fixed and uncontrollable law of currency, would, immediately after their issue, return upon the Treasury, and be funded. And that such was the case with the issues made, abundantly appears from the evidence filed. So that the interest that the State would have saved, had the law been complied with in the *very letter*, as insisted by the Committee, would have been comparatively small and trifling. But could it have been carried out *literally* under the circumstances? and was there no reason for pursuing the course which was pursued by Mr. Courts? His own response to the Legislature, the evidence of Mr. Lewis, and the statements of the report itself based thereon, all go to show that the delay in procuring the necessary plates, owing to the fall of New Orleans, and that necessarily incident to the issuing of the notes after the blanks were obtained, rendered it next to impossible to get the notes out as rapidly as the wants of the Treasury demanded. Our soldiers had to be paid, and large expeditures had to be made for their clothing and subsistence, beside other State expenses; and funds had to be provided for all these purposes. It is vain to say that a depreciated currency was issued instead of a better one.

Mr. Lewis's evidence shows that, to our troops in Virginia, Confederate Notes were more available than Treasury Notes. The former would circulate there, the latter would not, or not so well. And besides these Notes were not under the ban of a depreciated currency, as the majority seem to suppose: for in point of fact, by Section 2, Ordinance 35, all public dues to the State were payable in Confederate Notes, alike with Treasury Notes, Bank Notes and gold and silver. And of course it was intended, that such notes should be paid out by the Treasurer in like manner. The truth is, that by the said Ordinance it was the intention not to add to the volume of paper money in circulation, the evils of which were known to be great, but to raise money for the State at certain rates specified in the Ordinance, the debt to be *funded* and paid at some distant day, after the end of the war. And the undersigned can therefore see no objection to the course pursued by the Treasurer in raising the amount, at the rate fixed by the Ordinance. It was at last but raising the amount and funding the debt at the rate of interest fixed by the Convention. It may be called a loan or sale or whatever else one may choose to designate it, but this does not change its true character, whatever name may have been given to the transaction by the Treasurer, the Committee or others. It may have been that a different policy, and a sale of the Bonds in market, would have been the better policy, and would have saved the State, not a *loss*, as it is put by the Report, but a *premium*, and thereby a gain. But, in the opinion of the undersigned, nothing can be more unjust than to censure a public officer for not adopting a course unwarranted by law, as admitted by the majority, when the fault, if any, rested not with him but with the framers of the law. The undersigned has already explained the provisions of the Ordinance assuming the Confederate tax and the reasons for the action of the Treasurer in relation to that matter.

A few words as to the exchanges made by paymaster Lewis, of Treasury Notes for Confederate Notes, and the undersigned will close this report. The evidence of Mr. Lewis fully explains these transactions, and furnishes the reasons which induced him to make the exchanges. He says they were principally as follows:

1st, "To keep the Treasury replenished by having the bills exchanged by me funded under an Ordinance of the Convention for that purpose. 2d, It gave, in my opinion, a better circulating currency to pay with, as Confederate bills passed everywhere and State issues were doubtful in some places where our soldiers were situated." And again, he says: "In conclusion, I will add, that the exchanges referred to were made by me in [illegible] of the Treasury becoming exhausted and great danger of the Treasury becoming exhausted, and the payments to the soldiers thereby ceasing to exist."

These facts seem to the undersigned fully to exonerate Mr. Lewis as well as Mr. Courts from any censure attempted to be cast upon them, or either of them, on account of this transaction. These notes were not only fundable, but when so funded were, by the provisions of the Ordinance No. 35, re-issuable from time to time. The wants of the Treasury, it is also shown, were pressing and urgent, and but for the course pursued must have stopped payment, as Treasury Notes in sufficient quantities could not have been issued to pay promptly our soldiers, and meet other heavy expenditures which had to be made for the State.

All of which is respectfully submitted,

J. H. FOY.

CORRESPONDENCE OF THE OBSERVER.

[The following is the continuation of the letter from Raleigh which we published on Monday.]

Generally speaking, the House of Commons was a working body of men. Perhaps no such body ever assembled in which there were so few Lawyers. Farmers had decidedly the predominance, and among them many who did not leave their homes to electioneer during the campaign. The Physicians had more than their usual share, there being some 13 or 14 M. D's in the House alone.

There are many men in a legislative body who never make a speech, yet who exert powerful influence with all with whom they come in contact. Such men are clear headed, hard-sense men, whose judgment when formed it is impossible to shake. Of such I may instance the truly venerable member from Iredell, Mr. Allison. There are others who, like our friend Mr. Cowles of Yadkin, attain an influence by a shrewd acuteness of perceiving the popular points, and determination of purpose in adhering thereto;—men, too, who are destined to and always do succeed well in this world. Among the most useful members of the House of Commons was the representative from Davidson, Mr. Walser. I might continue to name others and analyze the particular traits which each was noted for, and truly it is hard to part, even in thought, from those among whom so many pleasant moments have been spent; but your space will not allow further remarks on them.

The Senate was more of a talking body and perhaps had more talent in it, but somehow I have a distaste to that branch of the General Assembly. It was a sort of strain at a gnat and swallow a camel crowd. They cut down the Chatham R. R. appropriation and they rejected the Iron Works bill—undoubtedly the two most important measures before the Legislature after the Revenue bill; and they tried hard to defeat the "Soldiers' families" bill and have really injured it by amendments. In my own opinion E. J. Warren, Esq. made more reputation for himself than any man in that body, and he is without doubt one of the first men, intellectually, which the State has in her borders.

The Liberty of the Citizen.—The following is the act passed by the Legislature of this State at its late session, for the protection of personal liberty, (presented by Gov. Graham.)

Act to amend the Revised Code in relation to habeas corpus.

Section 1.—*Be it enacted &c.*—That upon application for the writ of *habeas corpus*, if the case stated in the petition shall show that adequate relief may not be afforded by directing the writ to the person detaining another in his custody, in every such case it shall be lawful for the Judge granting the writ, to direct the same to the sheriff of any county where such detention may occur, commanding him to take the body of him who is alleged to be detained, and have the same present on the return of the writ, and to summon the party alleged to be guilty of the detention, to appear at the time and place of said return, and show the cause of detention. Any Judge issuing such writ, or before whom the same shall be returned in vacation, shall have the same power to enforce obedience to the same, and punish attachments for contempts, that a Court has.

Sec. 2. That when any person shall have been discharged out of custody by a judge, on a writ of *habeas corpus*, and shall be arrested and detained upon the same cause on which he was discharged as aforesaid, it shall be the duty of the Judge to issue a writ commanding the sheriff of the county where the detention may occur, to take the body of the person so detained, and bring the same before him, or some other Judge having jurisdiction, when such former discharge appearing, the person detained shall be forthwith discharged; and if it appear that such second arrest and detention was made illegally, and with knowledge of the former discharge, the party offending shall be guilty of a misdemeanor, and fined and imprisoned at the discretion of the court.

Sec. 3. That any person guilty of making a false return to any writ of *habeas corpus*, shall be guilty of a high misdemeanor, and shall be fined and imprisoned at the discretion of the court.

This act was rendered *necessary* by the fact that a Confederate officer at Salisbury, Capt. McCoy, had openly defied the civil law, and had threatened to resist that law at the point of the bayonet.—*Ral Standard.*

We saw a handsome, bright eyed boy the other day, who volunteered for the war when only 16 years of age. His Captain in recommending his furlough to Head-Quarters, stated that he had "never missed a duty;" that "he had rendered himself conspicuous in courage and daring on several occasions, and at the battle of Coal Harbor, while on duty as skirmisher, he nobly stood his ground and fought like a veteran when all the rest had left, in the face of a close and galling fire, and there remained till he was ordered to fall back, when he coolly faced about and walked back to his command. He is a gallant looking boy; his countenance fresh and ruddy, in the glow of rustic simplicity and the manly virtues that marked his whole bearing. His name is Barber; a member of the 5th N. Carolina Regiment, and is from Madison, Rockingham county, N. C. No doubt he considers that furlough the only trumpeter of his gallantry; but the Private (whenever it is possible,) shall have his deserts from us, for the true Patriot is the common soldier.

Milton Chronicle.

Camp Prices.—A writer at camp Gregg, Va. says: "We give a few specimens of camp prices, often paid here in Camp Gregg: Apples $4 a doz., eggs $3, candles (tallow) 4 50 a lb., pork $1, sugar $2, butter $3, dried fruits $1 a quart, oysters $2, milk 50c., meal 50, pinders $1, whiskey $40, ginger cakes 50c. each, chickens $2, candy 50c. a stick. Of apples we have known a single one (at Berryville) sell for $1. Whiskey sells at from $15 to $40 a quart—$60 to $160 a gallon. A single drink is said to cost 2 50, measured in a small tin pepper-box!"

Sustaining the Government.—It is really cheering to every patriot when he witnesses with what zeal the people are sustaining our young government. We heard yesterday, that the issue of 8 per cent. bonds by the Confederate States, is rapidly drawing to a close. The Secretary of the Treasury has requested the Commissioners for this city not to receive any more subscriptions for bonds, the one hundred million loan being almost entirely exhausted. We add with pride that the Commissioners have sold to the people of Petersburg and its vicinity, through Daniel Dodson, Esq., Cashier of the Branch Bank of Virginia in this city, about one million and a half dollars of these bonds.—*Petersburg Express.*

The following is said to have been found sticking under Butler's portrait at New Orleans:

ACROSTIC ON BEAST BUTLER.

Brutal and vulgar, a coward and knave—
Famed for no action noble or brave—
Beastly by instinct, a drunkard and sot:
Ugly and venomous, on mankind a *blot!*
Thief, liar and scoundrel, in the highest degree,
Let Yankeedom boast of such heroes as thee!
Every woman and child will, for ages to come,
Remember the monster, the vilest of scum!

FROM THE NORTH.

Fredericksburg, Feb. 15th.—The New York Herald of the 12th inst. says that holders of Cotton advanced their prices on the 11th inst., and were asking 92 a 93 cents for middling.

The Herald, commenting on the report that the people of Charleston were leaving that city in expectation of an attack, advises them to steer clear of Savannah. It thinks the Federal force between Charleston and Savannah sufficient to attack both simultaneously.

The Herald knows that Hooker and his soldiers are ready to seize the opportunity even of a partial hardening of the mud to open the road to Richmond.

It is stated that M. Mercier is preparing a paper, to be laid before the government, embodying the views of Napoleon.

The U. S. frigate Sabine has arrived at New York after an unsuccessful cruise in search of the Alabama.

Havana letters, of the 4th inst., say that the Florida left Nassau on the 31st ult., fully equipped for a long cruise. Confederate money was willingly received at par in Nassau.

John Van Buren, in a speech before the Democratic Union Association of New York, in view of the determination of the seceded States not to return to the Union, said: "Our friends (the Democrats) in Illinois, who propose to hold a convention, will find it a barren task, because the South is determined not to return; and until their armies have power to resist and put us down, this war must go on, and those who would attempt to stop it will be carried away by the torrent."

Richmond, Feb 17.—Seward in a dispatch to Mr. Dayton, dated 6th inst., says Druyen De L'Huyes suggests that this government shall appoint Commissioners to meet, on neutral ground, Commissioners of Insurgents. If it were possible for this government to compromise national authority so far as to enter into such debates, 'tis no easy to perceive what good results could be obtained by them. The Commissioners must agree in recommending either that the Union shall stand or voluntarily dissolve, or else they must leave the vital question unsettled. Seward closes by remarking that the Congress of the U. States furnishes a constitutional forum for debates between the alienated parties.

Reinforcements for Rosecranz are constantly going up the Cumberland River, and it is believed he has accumulated sufficient stores at Nashville to make a forward movement possible.

The Wehawken, iron-clad, has arrived at Port Royal. Hunter has issued orders conscripting all the able-bodied negroes in his department.

Peace resolutions passed the Illinois Legislature on the 12th inst.

Young Williamson, of Baltimore, Secretary of Mr. Mason, our English Minister, has been sent to Fort McHenry at Seward's instance.

Gov. Sprague had been elected Senator from Rhode Island.

A resolution inviting Gen. McClellan to visit Albany as the guest of the State, has passed the New York Legislature.

Pope is in St. Louis, and is expected to command the expedition against Vicksburg.

The Missouri Legislature has been unable to elect a United States Senator and has adjourned its joint session until November next.

A great portion of the business part of Norfolk, Va., has been destroyed by fire. The entire loss is estimated at upwards of $300,000.

Gold in New York 154, Exchange 169 to 171.

The Northern Peace Party.—The New York Post publishes a circular, signed by Auguste Belmont, Samuel J. Tilden, George T. Curtis, Sidney E. Morse, and others, directed to the editor of that paper, inviting him to a consultation, at a specified time and place, for the diffusion of political knowledge. Twenty-four gentlemen, representing the wealth and talent of the city, were present. James Brooks made a speech, urging the importance of the universal education of the people in the political issues of the times. Tilden and Curtis spoke, the former saying, "unless it be by revolution" there was no other way to redeem the country; the latter urged that everything must be done to overthrow the Republican party; the organization to be permanent and extend to other cities. The Post says the object is to demoralize the army and nation by diffusing journals and literature of a peculiar kind. "The rich men of New York furnish the money, and the reactionist editors of the World, Express, and Journal of Commerce the brains. An enormous fund is to be raised for undermining the confidence of the soldiers and the Government.

Political Movements in the Northwest.—While Southern communities are daily agitated by rumors of a meditated political revolution in the Northwest, for the first time we have met with any definite recognition of the movement in the press of the North. Under the editorial head of the Herald of the 13th, we find the following:

"The movement to settle the present difficulties by a convention of representatives from the free States is progressing in the West. The Illinois Legislature has appointed a committee to confer with those of Indiana, Kentucky and other States, at Louisville, in the month of March, the foremost man in that committee being a strong adherent of Mr. Lincoln, and heretofore a staunch republican. Mr. Logan, the gentleman in question, it appears, took a prominent part in the November election by urging all his friends to vote the Democratic ticket, in order to save the country. Many other eminent politicians of republican proclivities have been appointed on the same committee. The measure was opposed, but in vain, by the Abolitionists in the Legislature. It is expected that the States of Ohio, New Jersey, Pennsylvania and New York will combine in this movement."

From Europe.—Richmond, Feb. 16.—The Enquirer has New York dates to the 14th. The Etna has arrived. The French Emperor is endeavoring to perfect a new plan of mediation or intervention with the North and the South. Drouyn De l'Huys had addressed a circular to the French Ministers at London and Berlin, Vienna and St. Petersburg, directing them to sound the feeling of the Cabinets of those countries on the propriety of tendering their counselt.

Articles published almost simultaneously in the La Nation, La France and the Opinione Nationalle, newspaper organs of the Emperor and Empress and Prince Napoleon, show that France is exceedingly anxious to bring about peace in America.

The new Archbishop of Paris, in a pastoral letter, attacks Russia and England for refusing to join Napoleon in his effort at mediation.

The Steamer Georgiana, tender of the Alabama, was in the harbor of Holyhead, England, and went to sea on the 24th of January for Nassau, with a formidable crew.

The Russian Conscription in Poland resulted in a general uprising against the authority of the Czar in that ancient kingdom. The latest dispatch, dated Vienna the 28th, says that sanguinary conflicts continue to take place in Poland.

The Liverpool Cotton market closed irregular on the 29th, at a decline of half penny. The Bank of England advanced its medium rates of discount from 4 to 5 per cent.

WAR NEWS.

Reported Retirement of the Yankee Army towards the Potomac.—Richmond, Feb 16.—We received last night from the signal office the annexed piece of information, which is believed to be perfectly correct:

"A scout in the signal service, just from Maryland, reports, from personal observation, that the whole yankee army is leaving Acquia Creek, the greater portion bound to Washington, and the remainder to Old Point Comfort. The published object is to recruit and reorganize. To quiet discontent furloughs were being issued in great profusion."—*Examiner.*

From Fredericksburg.—Richmond, Feb. 15th.—The Phillips House, opposite Fredericksburg, noted as Burnside's Headquarters, was burnt yesterday, supposed accidentally.

From Vicksburg.—Vicksburg, Feb'y 14.—One of the enemy's gunboats passed our batteries last night at 12 o'clock, under cover of the darkness. Several shots were fired at her but none are believed to have taken effect. All quiet this morning.

The Sinking of the Hatteras.—Richmond, Feb'y 16.—A letter from a gentleman of high respectability at Nassau says that the Alabama sunk the Hatteras, and the Florida sent the Annie Bonsall, with troops for New Orleans, to the bottom.

The Sabine Pass Victory.—The Yankee vessels captured at Sabine Pass, below Galveston, on the 21st ult. were the ships Morning Light, 1500 tons, carrying 8 32-pounders, and the schr. Velocity, 70 or 80 tons, carrying 2 12-pound brass howitzers. Their crews consisted of 125 or 130, including 15 or 20 negroes, contrabands and Northern. They had 1 killed and 5 wounded. The rest taken prisoners. They had a cargo of clothing, munitions, medicines and pig iron. They were captured by two cotton-clad boats.

The Alabama.—The yankees have been consoling themselves, with stories about this Confederate war ship being "hemmed in" at Kingston, Jamaica, by six yankee ships, and that "its cruise was soon to meet with a melancholy termination." This was on the 20th of January. But a Hamburg vessel has arrived at New York which fell in, on the 2d of February, with a ship which the Herald admits, from the description, was "without doubt the Alabama." So the Alabama was not hemmed in.

From Eastern N. Carolina.—Raleigh, Feb 17.—We learn from gentlemen east of Chowan river, that the Yankee Commander of the Buffalo at Elizabeth city, issued orders that all male citizens between the ages of 18 and 40 years, living in the Albemarle country, were required to report to him at Elizabeth city, on Thursday last, the object of the order being, it was supposed, to force them to take up arms in behalf of the Yankees. We also learn that guerrilas are becoming numerous in that country, and that dead Buffalos are constantly found.

On Monday, the 9th, three Buffalos were killed near Elizabeth city. On Tuesday, it is said, their Captain had a young man, named Addison White, whom they had taken prisoner, tied to a stake and deliberately shot, in revenge for their three companions. This act of barbarity, far from intimidating the people, we learn has only exasperated them, and, together with the demand that they shall take up arms against their own cause, will cause the whole country to swarm with guerillas. The attention of the Government ought to be called to the murder of young White, and we hope that Capt. Duke will not neglect the duty.

State Journal

Yankee Care for the Negro.—A Vermont officer, once an abolitionist, writes a letter, of which the Troy Whig publishes an extract. He says:

"The war is becoming unpopular (I must not say how much) in the army. *It is believed* the army cannot be *filled by drafting* * * and the army is nearly all Democrats, made so by the present Administration. The men will never fight with negroes. Many regiments that I know will not even allow one to cook, drive team, or live in camp. They are more abused now by the officers and men than they were in slavery, for now every white man is master, and, Republicans and Democrats alike, if they will not mind, tie them up to trees and whip them. Never, never, will the men fight side by side with them."

Assault upon "the Nigger" in Baltimore.—A great deal of excitement was caused in Baltimore on the 6th instant, by an indiscriminate attack on the negroes at the Northern depot by the yankee soldiers. While the soldiers were awaiting the departure of the train, many of them got off the cars and attacked every colored person that came within their reach. They provided themselves with brickbats and threw at every colored person they could see; some of these last were in their houses along the line of the track, and doors were broken and windows smashed by the stones, but no one was seriously hurt.

Sambo as a Prisoner.—A gentleman from Memphis furnishes the following paragraph to the Appeal:

The negroes brought from Holly Springs, Grand Junction, &c., by Grant's army, are quartered in sheds in the vicinity of the Charleston depot, several thousand in number. They are in a most wretched condition, suffering greatly from a lack of food and clothing, as well as the small pox and other pestilential diseases. The hardships they are compelled to endure are thinning out their numbers by scores.

"Important News from the Rebels."—Under this heading the Herald's Washington telegraphic correspondence says:

More interesting information to the Rebels came out to-day in the Senate debate than newspaper correspondents of the army or elsewhere could furnish in a twelve month. Mr. Wilson said that our army of the Potomac had 300 regiments, and only 100,000 men. Gen. Rosecrans at the battle of Murfreesboro, had 140 regiments and but 45,000 men. There were other interpellations, such as that the President, Secretary of War and Senators, were oppressed by applications of officers for promotion, &c.

Petition for Peace—The following petition is being generally circulated in Indiana, and is receiving thousands of signatures:

"The undersigned, citizens of Brown county, hereby petition the State Legislature to instruct our Senators and request our Representatives in Congress to vote for a proposition for an armistice with those in rebellion in the Southern States, preparatory to a general amnesty for political offences and honorable adjustment of our national difficulty and a speedy restoration of the Union as it was, with the rights, privileges and dignity of each State unimpaired."

A wretched editor, who hasn't any wife to take care of him, went the other night to a ladies' fair. He says he saw there "an article" which he "fain would call his own, but it was not for sale." He declares that since that night he has been "wrapturously wretched." As the article was bound in hoops, the reader is left to infer that it was either a girl or a keg of whiskey.

Go it while you're young.—Two juveniles named Jerome Saunders and Lucy Walch, the former aged sixteen and the latter fourteen, were married in Davies county, Kentucky, on the 9th ult.

SPECIE WANTED.

A small amount of GOLD or SILVER wanted. Apply at this Office. Feb'y 16.